

# Concessions Management Desk Guide

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## TABLE OF CONTENTS

### CONCESSIONS MANAGEMENT DESK GUIDE

	<u>Page</u>
Concessions General Introduction,                      Section A	
Introduction	1
Concessions Feasibility Study	2
Concessions Facilities Development	4
Concessions Appendixes Listing	6
 Section A Appendixes	
Concessions Feasibility Study Template	Appendix <b>A-1</b>
Methods and Processes in Providing Concessions	Appendix    A-2
Safety and Sanitation Standards for Food Service Equipment	Appendix    A-3
 Concessions Randolph-Sheppard,                      Section B	
Randolph-Sheppard Authorities	7
Randolph-Sheppard Permit Development	9
Randolph-Sheppard Administration	12
 Randolph-Sheppard Section B Appendixes	
Notification Letter & Randolph-Sheppard Information Sheet	Appendix <b>B-1</b>
Sample Randolph-Sheppard Permit	Appendix    B-2
Randolph-Sheppard Performance Standards	Appendix    B-3
Randolph-Sheppard Checklist	Appendix    B-4
 Concessions Contracts,                                      Section C	
Contract Authorities	18
Contract Development	20
Contract Administration	25
 Contract Section C Appendixes	
Sample, Request for Proposal, <b>RFP</b>	Appendix <b>C-1</b>
Sample, Model Government Pro-Forma Budget and Staffing	Appendix <b>C-2</b>
Direct Negotiation with the State Licensing Agency	Appendix <b>C-3</b>
Food Service Acquisition Plan	Appendix <b>C-4</b>
Sample Evaluation Factors	Appendix <b>C-5</b>
Open	
Sample Scoring Sheets Sample	Appendix <b>C-8</b>
Sample Letter to Prospective <b>Offeror</b>	Appendix <b>C-9</b>
Cafeteria Preventive Maintenance Guide	Appendix <b>C-10</b>
How to Use the Monthly Profit & Loss Statement	Appendix <b>C-11</b>

## **SAMPLE REQUEST FOR PROPOSAL TABLE OF CONTENTS**

<b>INTRODUCTION</b>	<b>1</b>
---------------------	----------

### **PART I - THE SCHEDULE**

<b>SECTION A. SOLICITATION/CONTRACT FORM</b>	<b>2</b>
--	----------

<b>SECTION B. SUPPLIES OR SERVICES AND PRICES</b>	<b>3</b>
---	----------

1. Description of services	3
2. Terms of contract.	3
• a. Profit and administrative expenses.	3
• b. Payment to the Government.	3
• c. Contract period.	4
• d. Termination of contract.	4
• e. Modification of contract.	5
• f. Adjustments.	5
• g. Accounting terms.	5

<b>SECTION C. DESCRIPTION/SPECIFICATION</b>	<b>6</b>
---	----------

1. Scope of work.	6
• a. Building Location.	6
• b. Building Population.	6
2. Description of facilities.	6
• a. Area and location in the building.	6
• b. Seating Capacity.	6
• c. Performance data (last 12 full months available).	6
3. Tentative occupancy schedule.	7
4. Hours of service.	7
• a. Service schedule.	7
• b. Modification to service schedule.	7
5. Responsibilities of the contractor.	7
• a. Service.	7
• b. Menus.	8
• c. Menu Price.	9
• d. Equipment and utensils provided by the contractor.	10
• e. Food quality.	11
• f. Sanitation.	11
• g. Personnel and supervision.	12
• h. Trash removal.	13
• i. Contractor performed repairs.	13
• j. Contractor performed maintenance.	13
• k. Contractor Operational Improvement.	14
• l. Cleaning and janitorial services.	14

• m. Security areas.	16
• n. Hazardous conditions.	16
• o. Liability.	16
• p. Fire and civil defense drills.	16
• q. Records & Reporting requirement.	17
• r. Operating expenses.	17
• s. Depreciation.	19
6. Responsibilities of the Government.	19
• a. Contract to operate the facility.	19
• b. Vending stands.	19
• c. Facilities.	19
• d. Government-owned equipment.	19
7. Rights and authority of the Government.	20
• a. Approval.	20
• b. Public space.	20
8. Restrictions.	20
• a. Equipment.	20
• b. Patronage.	20
• c. Weekends and Federal holidays.	20
• d. Facilities.	20

## **SECTION D                      PACKAGING AND MARKING                      21**

1. Payment of postage and fees.	21
2. Marking.	21

## **SECTION E                      INSPECTION AND ACCEPTANCE                      22**

1. Government Inspection of Services.	22
2. Inspections.	22
3. Government personnel.	22
• a. Contracting officer.	22
• b. Contracting officer's representative.	23
• c. Contract inspectors.	23

## **SECTION F and SECTION G                      OPEN                      24**

## **SECTION H                      SPECIAL CONTRACT REQUIREMENTS                      25**

1. <u>Identification/building pass.</u>	25
2. <u>Security clearance requirements (nonclassified contract).</u>	25

## **PART CONTRACT CLAUSES II,**

## **SECTION I                      CONTRACT CLAUSES                      26**

1. FAR 52-228-1 Bid Guarantee (APR 1984).	26
2. GSAR 52.228-75 Workmen's Compensation Laws.	26
3. FAR 52-228-5 Insurance - Work on a Government Installation .	26
4. GSAR 52.237-71 Qualification of Employees.	27

5. Statement of wage rates and fringe benefits.	27
• a. Basic Hourly Rate, Hourly Monetary Wage as Fringe Benefits	27
• b. Sick Leave Provided By Law:	27
• c. Paid Holidays Provided By Law:	27
• d. Vacations or Paid Leave as Provided By Law:	28
6. Wage determination.	28
7. CONTRACT CLAUSES AND FORMS.	28
8. SERVICE CONTRACT ACT of 1965.	28

### **PART III - LIST OF DOCUMENTS, EXHIBITS, & OTHER ATTACHMENTS**

<b>SECTION J - LIST OF DOCUMENTS, EXHIBITS, &amp; ATTACHMENTS</b>	<b>29</b>
---	-----------

### **PART IV - REPRESENTATIONS AND INSTRUCTIONS**

<b>SECTION K - REPRESENTATIONS, CERTIFICATIONS, OTHER STATEMENTS OF OFFERORS</b>	<b>30</b>
--	-----------

<b>SECTION L - INSTRUCTIONS, CONDITIONS &amp; NOTICES</b>	<b>31</b>
1. Bid guarantee requirement.	31
2. Insurance requirement.	31
3. Instructions on submitting proposals.	31
4. Contents of the proposal.	31
• a. Part I - General Information.	31
• b. Part II - Specific Information.	32

<b>SECTION M - EVALUATION FACTORS FOR AWARD</b>	<b>34</b>
1. Evaluation factors for award.	34
• a. Past Performance.	34
• b. Experience.	35
• c. Resources.	35
• d. Menu Cycle and Variety.	36
• e. Sanitation.	36
• f. Preventive Maintenance.	37
• g. Controls.	37
• h. Menu portion, prices, and standard unit of measurement.	37
• i. Staffing patterns and schedules.	37
• j. Innovations.	38
• k. Budget (pro forma).	38

## CONCESSIONS MANAGEMENT SECTION A

### INTRODUCTION

This is a reference guide to help implement the program requirements for personnel involved in Concessions Program in GSA-controlled buildings, including those delegated to other agencies. The Concessions Program covers any food or snack facility i.e. vending machine; sundry, prepackage, and onsite snack bar; grill, cafe, and cafeteria food service that is operated by a Randolph-Sheppard vendor, commercial, or non-profit contractor. Concessions are operated under Randolph-Sheppard permits or contracts. This guide and its appendixes will assist and enable the Property Manager (PM) to address the issues/concerns involved in implementing the concessions program i.e.: viability, compatibility, security, legal considerations, operating costs, length of term, services to be offered, and Initial Space Alterations funding.

Guidance and other important information are noted in red print that is contained in a double line border.

In this guide the reference to Property Manager (PM) means the individual charged with concessions responsibility including the Concessions officer, Concessions Specialist, Customer Service Team or Buildings Manager or his delegated representative.

Food Service and other retail outlets operated under outleases, commercial shops operated by minority businesses 8(a), employee association stores, employee health units, and public pay telephones are not addressed in this guide.

Information on outleasing can be located in the Outleasing Desk Guide as posted in the Office of **Business Performance, Business Guidance and Practices Web-Site.**

Specifically, this guide is designed for use by regional PM, Concessions Specialists who are responsible for managing regional concessions programs, and agency representatives responsible for day-to-day operations and administration of concessions in delegated buildings.

The Asset Business Plan (ABP) can be used as a tool to distinguish and identify potential concessions opportunities. The ABP helps us better plan for and market potential concessions opportunities that improve the performance of our assets. The PM can assist asset managers, realty specialists, and architects to identify and determine which concessions opportunities are viable and beneficial. The PM should use market and feasibility studies to determine how concessions could improve the property and distinguish concessions operations from potential successful outleases that can provide necessary food services.

Concessions will rely upon private businesses, near the GSA facility, for services. When the availability of commercial services is insufficient to meet occupant agency needs, essential concessions services will be arranged through Randolph-Sheppard Permits, contracts, and or outleases. Facility types and definition of service levels are shown in the Concessions Feasibility Study Template Appendix A-1, Figure A-5a. A snapshot of the different methods for arranging

these essential services and their processes are shown in detail in **Methods and Processes in Providing Concessions, Appendix A-2**. These charts illustrate recommended methods to arrange for the available services i.e. cafeteria, café, grill, onsite snack bar, preparation snack bar, sundry and/or vending.

Other types of permits and licenses should not be used to arrange continuous services. This does not imply that the procurement process or contracts have to be complex processes as noted throughout this guide.

### **What are the roles and responsibilities in concessions?**

The PM maintains a continuous oversight of concessions to maintain service levels and quality. The administration of the concessions program is conducted by the PM or Concessions Specialist. The PM evaluates and determines concessions facility requirements and operational needs. The PM assists the Contracting Officer (CO), State Licensing Agency (SLA), clients, buildings managers, contractors, and vendors in the accomplishment of uninterrupted service. The PM provides oversight of concessions facilities and is responsible for concessions-related issues, permits, and contracts.

The PM assists in program planning and operational matters related to facilities, contracts and permits. The PM maintains effective communications between the agency (client), the CO, the contractors, the Randolph-Sheppard (R/S) operators, and the SLA and is responsible for onsite, day-to-day oversight of the food service facilities, contracts and/or permits. The PM shall become knowledgeable in the applicable policies, regulations and procedures inherent to the effective, planning, establishment, and operation of the concessions program.

## **CONCESSIONS FEASIBILITY STUDY**

The process of identifying and marketing essential concessions is shown in the **Concessions Feasibility Study Template, Appendix A-1**. This template outlines the processes that identify essential services that are viable and can compete in the market place.

### **What is a Concessions Feasibility Study?**

A Feasibility study is the process that determines the appropriate levels of concessions services on GSA controlled property. The process supports GSA's policy to arrange and maintain concessions service where the service is essential to the client agencies. The study indicates the level of services that a building population will sustain in consideration of the competition that neighboring, commercial facilities may provide.

### **Why conduct concessions feasibility studies?**

Concessions services on GSA controlled property are self-supporting or viable operations. This service is not paid for with appropriated funds. Determining what level or type and quality of service that can be viable is the most critical determination in the Concessions Program. Dining facilities for judges, executives, or staff must operate on a self-sustaining basis. Agencies may determine that a service is essential to their missions and would be required to provide funding to offset possible losses.

### **Who conducts feasibility studies?**

The PM is responsible for conducting studies.

### **When should feasibility studies be made?**

The feasibility study should precede the following:

- Any requirement that establishes a new concessions, in a new or existing Government-owned or leased facility.
- Any proposed change in the existing concessions service level.
- Any proposed change in the existing building or significant investment in concessions with BA54 or A64 funds.
- When concession contracts and permits are terminated.
- When projects are delayed from previous fiscal years, after significant changes in site or occupant assessments or every 5 to 7 years during the life of the facility.

### **How complex should this process be?**

The extent of the study and resources required to do the study should reflect the complexity of the required service, the property and its purpose. A feasibility study may consist of a simple fact sheet made in conjunction with an SLA for basic concessions service or as complex as the Concessions Feasibility Study Template, as shown in Appendix A-1, Figures A-1 through A-6a,. The professional level of the final product should reflect the purpose of the study.

### **What factors are considered in the Feasibility Study?**

The study considers 3 major factors:

- The first consideration is the agency needs assessment. The building population, viability, demographics and mission are used to determine the needs. The building population becomes the controlling element because that supports viability. GSA practice requires that all concessions services on GSA-controlled property be self-supporting or viable.
- The second is the internal competition for occupants' food dollars. This factor considers all service cafeterias, R/S, snack bars, vending machines, and present and future food service in cooperative use space, or commercial leased space. Priorities for R/S will influence the size and type of concessions provided.
- The third is the location of the building and the food service available in the neighborhood. Future commercial food service in the surrounding area of a building should be determined before cafeterias are planned.

### **What information will be gained by the study?**

The study will indicate the level of service, type, and size of the service. This service is based on the maximum building population. In some cases such as the IRS the operations conducted in the facility may not be the optimum of the design or size, but may require different operational types during the contract or permit term. A feasibility study should determine the program need of retention, removal or upgrade of food service space. It may also disclose opportunities to convert existing facilities to those, which may be more economical and compatible with changing building populations, patronage, menu choices and space requirements. The seven typical levels of service as listed below and their definitions are detailed in Appendix A-1, Concessions Feasibility Study Template, Figure 1-5a, Service Level or Facility Type Definitions.

- vending machines
- sundry



- prepackage snack bar
- limited onsite snack bar
- onsite grill
- café
- cafeteria

### **Where can a region get support to conduct the feasibility study?**

When a proposed study for a new or renovated food service facilities exceed the normal regional workload and resources, the property manager should consider contracting for the service, using the resources from other regions, or Office of Business Performance, Business Guidance and Practices.

## **CONCESSIONS FACILITIES DEVELOPMENT**

Concessions facilities planning and development is the process that provides appropriate concessions space made ready for essential concessions service operations. The PM should assist asset managers, realty specialists, project managers, and architects to identify and determine criteria for the appropriate concessions service.

### **Who coordinates the feasibility study in GSA?**

The PM coordinates the study with the GSA project coordinator during the planning phase of new space, or in a substantial alteration to an existing building. Plans for these facilities must be incorporated into space requirements to allow for utilities, lighting, security, and ventilation.

- PM may be required to make a preliminary determination to provide concessions services and design criteria prior to the site selection.
- The final decision to provide concessions services in new buildings should be made when the site is selected and the building population known.

### **What are the GSA policies consistent with planning and developing food service facilities?**

The information the PM forwards to the GSA project coordinator during the planning phase of new space, or in a substantial alteration to an existing building shall be consistent with the following:

- Concession facilities shall conform to 41 CFR 101-20.109 Concessions; 41 CFR 101-20.2 Vending Facility Program for Blind Persons; 41 CFR 102-74 Facility Management; and the Customer Service Guide.
- Cost for the design and construction of new concessions facilities and cost for major renovations that increase the concessions service level shall be included in the Asset Business Plan and in the tenant agencies' Occupancy Agreements.
- All food service equipment shall meet industry safety and sanitation standards and those standards as shown in Appendix A-3 Safety and Sanitation Standards for Food Service Equipment.
- All food service equipment shall be energy efficient and conserve fuel, water, and air, and be equipped with control devices that further reduce energy consumption wherever practical.
- Concession facilities shall be accessible for the handicapped to food services without restrictions and meet the standards of the Americans with Disabilities Act of 1990 and/or the Architectural Barriers Act of 1968, which ever is more stringent.

- Facilities should consider long-term viability of operations that will permit stability in service and menu prices, and promote a self-supporting operation.

### **What are the modernization and renovations requirements for existing facilities?**

It is recommended the PM establish a program of major and minor renovations to existing food service facilities based upon the need to correct deterioration, obsolescence, malfunctions and by a need to change levels of service. These projects are scheduled according to valid priorities of need and availability of funds. Adequate time must be allowed for feasibility studies, preliminary preparation of planning, design, cost estimating, coordination with other involved GSA and agency offices, and programming into the Repair and Alteration.

The PM should see the Administration parts of the Randolph-Sheppard and Contracts Food Services Section of this Document.

### **How are the food service renovations funded?**

The source of funds for major and minor food service alterations originates with the R&A appropriations. To ensure funds for specific programmed projects within appropriate fiscal years, estimates of project costs should be included in the R&A budget plans in time for the R&A appropriation request. The PM should coordinate fund requirements with R&A schedules. Purchases of food service equipment and cafeteria furniture may be made from function code A64, Cafeteria Support, where equipment and furniture are considered replacements of items, because of obsolescence, malfunction, energy inefficiency, excessive repair, need for improvement or for a new locations.

### **How are the food service renovations funded for Delegated Agencies?**

Where building operations, maintenance, and custodial functions have been delegated to an Agency, equipment repair, replacement, and renovations are considered the responsibility of the Agency. The responsibility for recurring repairs and replacement of food service equipment in delegated buildings is the responsibility of the delegated agency regardless of the full or partial delegation status of the concessions function unless otherwise stated in the terms of the delegation. The responsibility for non-recurring repairs to food service equipment is the responsibility of GSA (BA54) unless otherwise stated in the terms of the delegations.

It is recommended that all equipment items and installation services be procured from one general contractor who typically uses a food service equipment sub-contractor. This sub-contractor should be required to furnish specified equipment to be delivered, erected and assembled on the job site, with final electrical and mechanical connections made as required. This sub-contractor should be required to test all equipment installed, correct deficiencies, and provide instructions to the operator and PM in the use and care of equipment.

### **What about food service facilities in building prospectuses?**

The following information must be furnished by PM for the food service portion of the prospectus for each facility:

- Feasibility study.
- Explanation of pending scope of work.

- Justification of the work and the cost benefit.
- Detailed breakdown of the cost estimates.

### **What about food service space cleaning and preventive maintenance?**

The cleaning and preventive maintenance requirements for food service will differ depending on what responsibilities the Randolph-Sheppard Permits and the commercial food service contract requirements are. The PM verifies that the preventive maintenance work is completed and maintains records in the field office. A cafeteria food service equipment preventive maintenance guide is shown in Appendix C-10. This guide can be used to establish a preventive maintenance program for conducting inspections and checking existing programs.

The PM should see the Administration parts of the Randolph-Sheppard and Contracts Food Services Section of this Document.

PM is responsible for providing, maintaining, cleaning and servicing dry chemical, surface fire suppression systems designed to protect the hoods and ducts in food facilities and Randolph-Sheppard Vending Facilities on GSA-controlled property. The procurement, installation, and maintenance is at the expense of GSA.

## **CONCESSIONS APPENDIXES**

### **The following appendixes apply to this desk guide:**

#### **Concessions Management, Section A**

- |   |               |
|---|---------------|
| 1. Concessions Feasibility Study Template                     | Appendix A-1. |
| 2. Methods and Processes in Providing Concessions             | Appendix A-2. |
| 3. Safety and Sanitation Standards for Food Service Equipment | Appendix A-3  |

#### **Randolph-Sheppard, Section B**

- |  |              |
|--|--------------|
| 1. Notification Letter and Randolph-Sheppard Information Sheet | Appendix B-1 |
| 2. Sample Randolph-Sheppard Permit                             | Appendix B-2 |
| 3. Randolph-Sheppard Performance Standards                     | Appendix B-3 |
| 4. Randolph-Sheppard Checklist                                 | Appendix B-4 |

#### **Contracts, Section C**

- |   |                   |
|---|-------------------|
| 1. Sample, Request for Proposal, RFP                    | Appendix C-1      |
| 2. Sample, Model Government Pro-forma budget & Staffing | Appendix C-2a & b |
| 3. Direct Negotiation with the State Licensing Agency   | Appendix C-3      |
| 4. Food Service Acquisition Plan                        | Appendix C-4      |
| 5. Sample Evaluation Factors                            | Appendix C-5      |
| 6. Sample Scoring Sheets                                | Appendix C-8a-1   |
| 7. Sample letter prospective offeror                    | Appendix C-9      |
| 8. Cafeteria Preventive Maintenance Guide               | Appendix C-10     |
| 9. How to Use the Monthly Profit & Loss Statement       | Appendix C-11     |

## **RANDOLPH-SHEPPARD SECTION B**

The purpose of this section is to assist the Property Manager (PM) with a basic understanding of the authorities, permit development, and the administrative responsibilities under the Randolph-Sheppard Program.

### **AUTHORITIES**

In this guide the reference to Property Manager (PM) **means** the individual charged with that responsibility including the Concessions Officer, Concessions Specialist, Customer Service Team or Buildings Manager or their delegated representative.

#### **THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949**

##### **What is it?**

The Federal Property and Administrative Services Act of 1949 provides GSA the authority to provide essential concessions services in GSA-controlled buildings when commercial services are insufficient.

#### **RANDOLPH-SHEPPARD ACT OF 1936**

##### **What is it?**

The Randolph-Sheppard Act of 1936, [20 U.S.C., Sec. 107 et seq.], was enacted to provide visually impaired persons with employment and economic opportunities and promote their self-sufficiency through the operation of vending facilities in Federally controlled space. The Department of Education (DOEd) is responsible for the administration of the Act [34 CFR 395 et seq.]. The DOEd has delegated that responsibility to the several States where it is administered through the individual State Licensing Agencies (SLA) [34 CFR 395.21].

The 1954 amendments to the act provided for the assignment of vending machine income to blind persons so that they could achieve and protect their preference if other machines competed with blind vendor operations. The amendments to the act authorized operating vending facilities on Federal property, and provided that preference in the operation of vending facilities (including vending machine income) [34 CFR 395.81 so far as feasible, must be given to blind persons licensed by a State agency.

The 1974 amendments to the act included new authorities designed to ensure that blind vendors are afforded a priority in the operation of vending facilities on Federal property. The Department of Education has prescribed regulations, as set forth in 34 CFR 395, implementing the act as amended.

##### **Advantages**

The SLA has full responsibility for the supervision and management of the vending facilities. The State licensing agency will also maintain (or cause to be maintained) all vending facility equipment in good repair and in an attractive condition and shall replace or cause to be replaced

worn-out and obsolete equipment as required to ensure the continued successful operation of the facility.

### **Disadvantages**

If the Vendor does not comply with the provisions of the permit and the SLA interprets the permit terms in favor of the Vendor, the process to correct deficiencies can be very time consuming and frustrating. This can be true even when the SLA agrees with the PM.

### **Applicability of this Act**

The SLA must be given priority to establish a vending facility with a minimum of 250 square feet for vending and storage when 100 or more Federal employees are occupying federally-controlled space or 15,000 square feet or more will be acquired for use by a federal agency [34 CFR 395.1 (q)].

GSA is responsible for determining the level of food service necessary as well as building out such space, including finished wall, floors, ceilings, lighting, plumbing and electric. The SLA is responsible for the interior design, installation of equipment and furnishings within the facility.

Responsibility for the installation and operation of approved vending machines should be assigned to the SLA. Vending machines may be assigned to others under the conditions listed below:

- Vending machines may be assigned to food service contractors when the appropriate vending machine commissions are paid to the SLA.
- Vending machines may be assigned to recognized occupant agency employee groups when the appropriate vending machine commissions are paid to the SLA or that SLA has formally declined assignment of the vending machines. The authorization shall be **formally delegated to the occupant agency**, rather than directly to the employee group. The authorization will require a written contract between the employee group and the commercial source providing the vending machines. Furthermore, each authorization should state that it is subject to revocation when advisable in the opinion of GSA. GSA Form 1582, Revocable License for Non-Federal Use of Real Property, may be used for this assignment.
- When the above assignments are not possible, GSA may enter directly into a license with a commercial vending machine source, which will install and operate the required machines. Any commissions from the vendor would be payable directly to Miscellaneous Receipts, United States Treasury.

## **PERMIT DEVELOPMENT**

The PM begins the process by identifying opportunities and giving written notice. The PM should consult, negotiate, or partner with the SLA for best results. See Sample Permit, Appendix B-2.

### **The Concessions feasibility study**

As a pre-requisite in developing the application and permit, the GSA PM should undertake a market analysis and/or a feasibility study. An excellent feasibility study format is found in Appendix A-1, Concessions Feasibility Study Template.

### **Why is a mandatory notification necessary?**

Notification is the principal step toward compliance with the intent of the Randolph-Sheppard Act and honoring the priority afforded licensed blind vendors. When GSA builds, substantially renovates, or leases space that meets the criteria for mandatory notification, then the PM must send "written notice" of the concessions opportunity to the SLA by certified or registered mail with return receipt.

There is an exception to the requirement for mandatory notification. When GSA leases part of a multi-tenant building and the lessor or any of his tenants have established a food facility or have entered into a contract for the future operation of a food facility in space not included in the lease, then the mandatory notification requirement shall not apply.

The GSA PM needs to identify and communicate to the SLA key elements affecting the scope of a proposed business opportunity in order to make adequate written notice. See Notification Letter and Randolph-Sheppard Information Sheet, Appendix B-1.

Five key elements that can be obtained from realty specialists, project managers, or portfolio managers are suggested as practical information needed by the SLA to make an informed decision on the written notice submitted by the GSA PM. The suggested five key elements are, as follows:

- Address or delineated area of proposed location.
- Tenant agencies and number of Federal employees to be served.
- Amount of space to be occupied by tenants.
- Office hours.
- Estimated occupancy date.

Assign a control number to the business opportunity to facilitate future tracking. Also, ascertain if the new location involves relocation of tenants from any other existing site already served by a Randolph-Sheppard Vending Facility and notify the SLA.

### **What are the levels of service?**

As a general rule, Randolph-Sheppard permit operations are limited to five of the GSA standard seven service levels and are as noted:

- **Vending Machines**
- **Sundry Stand**
- **Prepackaged Snack Bar**
- **Limited Onsite Snack Bar**
- **Onsite with Grill**

GSA standard seven service levels are described in Appendix A-1, Concessions Feasibility Study Template, and are the natural outgrowth of the types of facilities envisioned in the implementing regulations.

### **How are cafeteria operations handled under Randolph-Sheppard?**

The operation of a cafeteria by a blind vendor shall be covered by a contractual agreement and not by a permit. Using the definition published in the implementing regulations **may** lead to the establishment of Onsite Grill and Café by contract **and not by permit**.

### **Who writes the permit?**

The SLA prepares and submits to GSA the application and permit. When GSA executes the application and permit, the document becomes the approved permit.

It is the SLA's responsibility to develop the permit, but GSA may and should assist. This is especially true if positive results are to be expected from GSA's efforts to comply with the Randolph-Sheppard Act and to ensure the inclusion of performance and customer service standards in application and permit documents. It is Attachment G, Other Terms and Conditions that site specific Performance Standards which can be included in the permit. In Appendix B-3, a list of Randolph-Sheppard Performance Standards are listed.

### **Standard Cover Sheet for the Application and Permit**

The SLA must include in the application and permit the type of facility and the amount of space needed to operate it efficiently and effectively. The SLA may obtain this data from the GSA PM.

The type of facility is identified on the standard cover sheet as selected from five identifiers, as follows:

- Vending Machines
- Sundry
- Prepackaged Snack Bar
- Limited Onsite Snack Bar
- Onsite Grill

Hours of Operation should be entered on the cover sheet. "Normal working hours" means an eight hour work period between the approximate hours of 8:00 am to 6:00 pm, Monday through Friday". Hours of operation may be negotiated to start earlier or end later.

**The application and permit format allows for the addition of seven attachments to the standard cover sheet, as follows:**

**Attachment A Satisfactory site**

**Attachment B Facility floorplan**

**Attachment C**

List the menu items to be sold, and include the lottery ticket authorization if applicable. The act describes articles that may be sold to include newspapers, periodicals, publications, confections, tobacco products, foods, beverages, chances for any lottery authorized by State law and conducted by an agency of a State within such State, and other articles or services" that are considered suitable for a particular location as determined by the SLA **in consultation** with the PM."

**Attachment D**

SLA-furnished equipment and any Federally-furnished equipment are listed on the attachment. Equipment must be listed in the application and permit by the SLA.

**Attachment E**

The number, type, and location of vending machines must be listed in the application and permit.

**Attachment F**

Statement about SLA share of income from vending machines installed in the building that are in "direct competition" and "not in direct competition" with SLA-furnished vending machines.

**Attachment G Other Terms and Conditions**

Any provision negotiated between GSA and an SLA may be included in Attachment G, and should include essential management controls and performance standards that GSA would seek to include in any commercial agreement covering food and vending services. **Suggested Performance Standards that are site specific are included in Appendix B-3.** Also, this is the section that GSA would use to ensure that the SLA provides preventive maintenance and service on all government provided equipment.



## **ADMINISTERING RANDOLPH-SHEPPARD PERMITS**

The Randolph-Sheppard vendor is an independent businessperson and is responsible for all facets of the operation of the vending facility. The State Licensing Agency (SLA) provides needed technical support and oversight to assure achievement of program goals. The PM maintains the right to inspect the vending facility for compliance with the terms of the permit.

In some States, the license agreement between the SLA and the vendor bears little or no resemblance to the approved permit between the SLA and GSA. A license may be subject to suspension or termination if the SLA finds that the vending facility is not being operated in accordance with its rules and regulations, the terms and conditions of the permit, or the terms and conditions of the agreement with the vendor. The vendor must be afforded an opportunity for a full evidentiary hearing.

### **Who is responsible for contact with the SLA?**

A productive working relationship between the vendor, the SLA and the PM is essential to assure an optimum program performance and expedited informal resolution of any problems that may occur. The onsite PM should be in frequent communication with the vendor.

### **What are the administrative responsibilities of the PM?**

The PM administers the GSA's responsibilities in the R/S program including those pertaining to the day-to-day operations, but not limited to the cleaning, maintenance, repair, and renovation of the physical location. This includes:

- Normal cleaning. The PM provides cleaning only for customer service areas within the vending facilities that are open during the normal scheduled cleaning hours based on the standard level of cleaning for the building. This does not include equipment or display shelves or any cleaning behind the serving lines, or in storerooms and kitchens.
- Maintenance and repair of equipment. The PM provides the SLA with a complete inventory of all Government-owned equipment in a food service facility to be turned over to the SLA for permit operation. Equipment declared to be surplus by the SLA must be removed by the PM as a onetime conversion accommodation.
- Maintenance and repair of the building structure. The SLA must not be charged for normal maintenance and repair of the building structure in and adjacent to the vending facility areas.
- Electrical appliances. Electrical appliances shall not be installed in vending facilities without the approval of the PM. Improperly installed equipment must be either properly installed as determined by the PM or removed by the SLA. Unauthorized equipment as determined by the PM shall be removed by the SLA.
- Accommodating dog guides. Some blind persons use dog guides to assist them in traveling. The PM should make every reasonable effort to accommodate dog guides within the confines of Randolph-Sheppard Vending Facilities during the period the dog guide's master is working in the facility.

- **Inspections.** The PM performs or authorizes inspections, and evaluations by close liaison, onsite reviews, or sanitation inspections, and review of cafeteria operating statement, *etc.*
- **Problem Resolution.** The State licensing agency shall attempt to resolve day-to-day problems pertaining to the operation of the vending facility in an informal manner with the participation of the blind vendor and the PM.
- **Unresolved Disagreements.** Unresolved disagreements concerning the terms of the permit, the Act, or the regulations in this part and any other unresolved matters shall be reported in writing to the State licensing agency supervisory personnel by the PM in an attempt to resolve the issue. See page 15 for suggested guidance on "**How do you resolve issues and impasses at a Randolph-Sheppard Facility?**".
- **Permit Updates.** The PM oversees the permit operation by performing inspections, onsite reviews, and sanitation inspections. The PM shall periodically, but not less than every five (5) years, evaluate GSA's current needs and update the Permit to meet the current level of service required. The PM shall also review and update the Permit any time a vending service is added or deleted, when a vendor is replaced, when service needs changed, or when renovations affecting the vending facility are planned in the building where the facility is located.

### **What are the reporting requirements?**

At the end of each fiscal year, GSA is required to submit an annual report to the Secretary of the Department of Education (DOEd). The statistics reported by the PMs are included in the annual report prepared by DOEd for submission to the Congress. The annual report is due by September 30 of each year for the period covering the entire previous fiscal year. The components of the annual report should include the total number of SLA applications received, the number of applications accepted and the number of applications pending.

For non-SLA vending machine permits or contracts the report should include the total amount of vending machine income collected and the amount of vending machine income dispersed to each SLA.

### **What are the administrative responsibilities of the State Licensing Agency (SLA)?**

The DOEd's designated SLA administers the planning, marketing, resources, financial management, oversight and execution of the program including direct technical assistance to vendors and their operations. The SLA confirms interest in developing new and renovations of outdated facilities to the PM and develop permits in conjunction with PM. The SLA trains and licenses qualified blind vendors for the operation of the facilities. In addition to these primary functions the SLA administer the following:

- **SLA Equipment.** The SLA is responsible for the purchase, installation, maintenance, repair, replacement, servicing, and removal of all vending facility equipment. Any expenses incurred for vending facility equipment must be without charge to GSA.

- **Government-Owned Equipment.** The SLA is responsible for the maintenance, repairs, replacements, and servicing of all Government-owned equipment it uses in a permit operation. Within 30 workdays after receiving the required maintenance guides from the Government, the SLA submits to the PM an annual preventive maintenance schedule. The SLA's responsibility must be included in Attachment D of the application for a permit.
- **Utility Connections.** Any utility connections including the installation of equipment requested by the SLA and authorized by the PM must be reimbursable and at no expense to the Government. Any work of this nature or surface discrepancy resulting from the removal of equipment must be safely capped or refinished to be compatible with the facility.
- **SLA Replacement of Government Owned Equipment.** The SLA must have title to and control of equipment procured by the SLA to replace a similar item of Government-owned equipment.
- **Renovation.** The SLA is required to request prior approval from the appropriate PM for the renovation of existing vending facilities. The request should include a space and equipment layout of the proposed renovation. The PM determines if the drawing is sufficient to be used for estimating and construction purposes. The drawing should include detailed information on the equipment, plumbing, heat, ventilation and air-conditioning systems, and electrical requirements. The appropriate PM accepts or rejects the drawing as a result of this determination. When the SLA requests the renovation of existing vending facilities, it is at their expense.
- **Service Upgrade.** If GSA's service needs change, the SLA will be responsible for demonstrating to GSA that the current vendor is qualified to operate the upgraded facility based on GSA's current needs. Should the vendor fail to meet the qualifications needed to operate this facility, the SLA shall select a new qualified vendor.

#### **What are the administrative responsibilities of the vendor?**

The vendor is responsible for maintaining a viable vending facility in a clean and sanitary condition at all times. The facility and the operation must be in compliance with the 1999 or more current edition of the FDA Food Code. The vendor is responsible for cleaning and sanitizing all equipment or display shelves in the customer serving area and is responsible for all necessary cleaning and sanitizing of the serving lines, preparation area behind the lines and storerooms and kitchens.

The vendor is responsible for marketing and merchandizing the facilities with competitive and quality products. This would include all responsibilities normally associated with the operation of a retail unit, *i.e.* sufficient, fresh inventory of products, *etc.*

#### **What are the PM roles and responsibilities in Randolph-Sheppard?**

In Randolph-Sheppard permit operations, the PM assures the requirements of the Randolph-Sheppard Act. The PM shall:

- Observes for changes in service level needs.

- Observes for any additions, deletions, or changes observed in the R/S facility that are not within the terms as set forth in the permit.
- Provide any structural, plumbing, electrical, or mechanical requirements for R/S facilities.
- Assure the agency provides services (subject to accessibility during normal hours) for R/S facilities.
- Assure the agency provides maintenance and repair of public areas in and adjacent to the R/S facility.
- Oversees the day-to-day vendor's performance in accordance with the terms of the permit.
- Identify and resolve problems with operators on a local level when possible.
- Notify the Region in a timely manner of significant problems in the R/S program.

**Who determines when a vending machine is in direct competition with a blind vending facility?**

The PM determines when a vending machine is in direct competition with a blind vending facility. A determination that a vending machine is not direct competition with a blind vending facility must be subject to the concurrence of SLA.

**Who collects and receives the income from vending machines on GSA controlled property?**

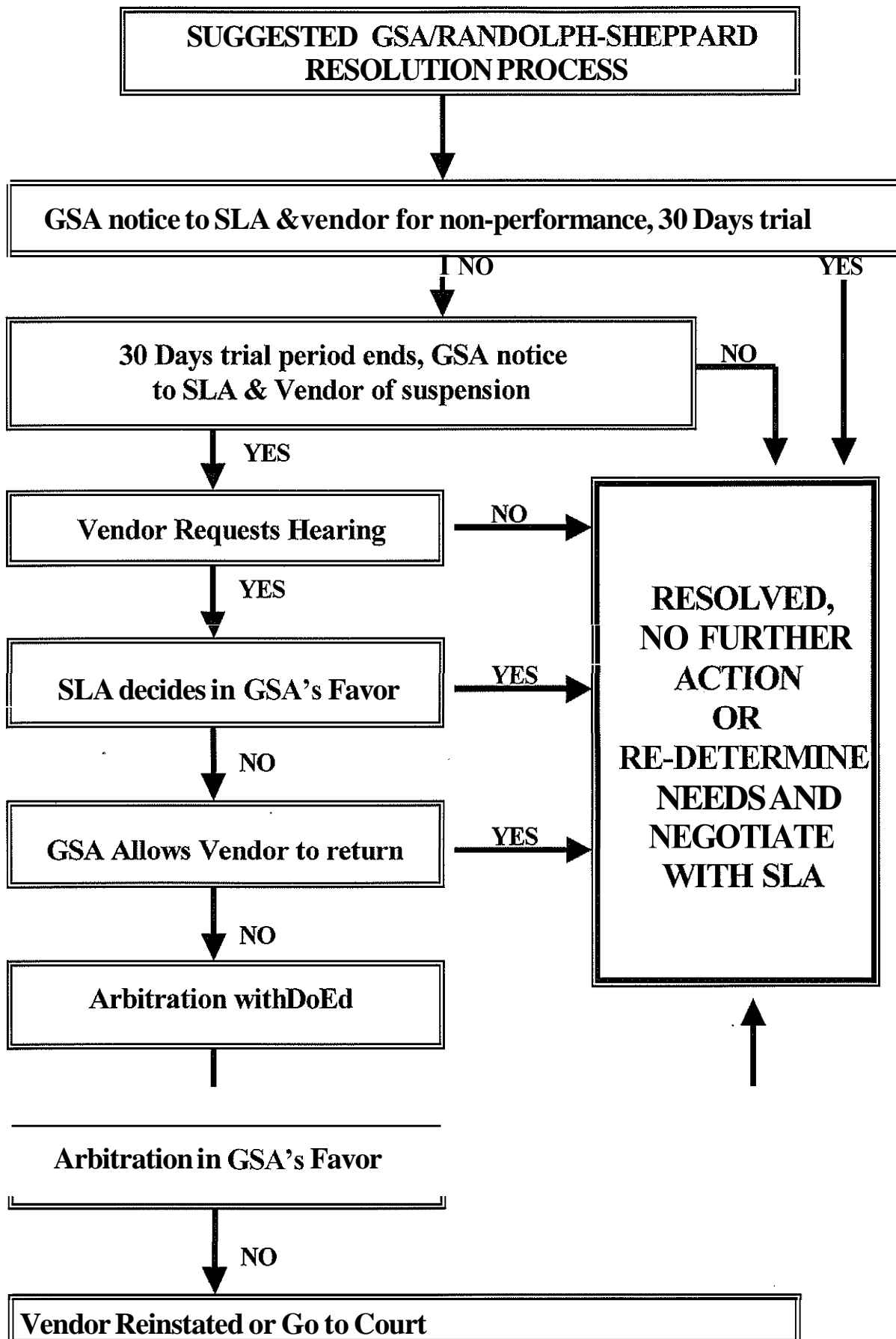
Most vending machines on GSA-controlled property are owned and managed by the SLA and money collection and distribution by the PM is not required. The PM assigns others the right to place vending machines on property and the PM must not become involved in the actual physical collection or distribution of vending machine income. The SLA primarily performs this function. When vending machines are assigned to others, money distribution **may** be required according to a formula, which distinguishes direct competition, non-competition, and after normal work hour accessibility.

**What recourse is available when a serious violation of the property rules and regulations or permit are made?**

A serious conduct complaint concerning the vendor or his violation of the rules and regulations governing occupancy of the building, whether included in the Permit or not, may require the vendor to be immediately suspended temporarily from operating the vending facility. Should such an occasion arise, the PM will work with the SLA in an expeditious manner to investigate the alleged violation or misconduct and make a determination as to whether the vendor should be returned to work before an evidentiary hearing concerning the issues takes place.

**How do you resolve issues and impasses at a Randolph-Sheppard Facility?**

Whenever possible, all issues/impasses ought to be resolved between the onsite PM and the vendor. If an impasse occurs, the following two pages 16 and 17, Suggested GSA/Randolph-Sheppard Resolution Process and its explanation reflects a suggested methodology for resolving issues or impasses:



## **EXPLANATION OF SUGGESTED GSA / RANDOLPH-SHEPPARD RESOLUTION PROCESS**

1. The PM contacts the State Licensing Agency in writing (certified letter), copying the vendor. PM advises SLA that they have 10 working days after receipt of this letter to provide GSA with an improvement plan that addresses all of the deficiencies. In addition, the PM will notify the SLA that the vendor will have 20 days following approval of the plan to correct the deficiencies. GSA deems this first 30 day period as a probationary status for the vendor.

2. If the deficiencies are not corrected, GSA will notify the SLA for a second time in writing via certified mail to suspend the vendor within 10 working days after receipt of this second written notification. During this 10 day period, the vendor will have sufficient time to request that the SLA conduct an evidentiary hearing concerning the issues which caused the suspension. If the vendor does not request a hearing within this time period, the suspension will become final and the vendor will be notified by the SLA that he or she has been terminated from operating vending facilities in GSA controlled properties.

If the vendor requests a hearing after being notified of suspension, the SLA will have thirty (30) calendar days from the date of the vendor's request to conduct and complete a full evidentiary hearing and render a decision. During this 30-day period, the SLA may name a temporary replacement vendor for this location while the evidentiary hearing is taking place.

3. If the SLA decides in GSA's favor, the suspended vendor will be terminated from operating vending facilities in GSA controlled properties.

4. If the SLA decides in the vendor's favor, GSA will either accept the vendor back in the vending facility or will refuse to allow the vendor to resume operations.

5. If GSA refuses to allow the vendor to come back, the SLA's and vendor's only recourse will be to request an arbitration of the issues with the Department of Education [34 CFR 395.371]. During the arbitration process, the SLA should submit a new blind candidate for this permit; if they do not submit a replacement candidate who is acceptable to GSA, GSA may terminate the permit.

6. If GSA wins the arbitration, the suspension will stand and a new agreement for a new vendor will be negotiated with the SLA.

7. If GSA loses the arbitration, the vendor is reinstated unless GSA feels confident that we could win in Court.

## CONTRACTS SECTION C

The purpose of this section is to assist the Property Manager (PM) with a basic understanding of the authorities, contract development, and the administrative responsibilities for food service contracts.

### AUTHORITIES

In this guide the reference to Property Manager (PM) means the individual charged with that responsibility including the Concessions Officer, Concession Specialist, Customer Service Team or Buildings **Manager** or his delegated representative.

#### THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

##### What is it?

The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490) Section 210, Operation of Buildings and Related Activities, provides general authority to operate buildings. Authority for the operation of cafeterias is **inherent** in the general authority of GSA for the maintenance and operation of public buildings. In fulfilling its responsibility under the Act for the operation of public buildings, GSA has the allied responsibility to manage for essential food services which are not conveniently available from commercial sources and which are required for health, morale, comfort, or efficiency of Federal employees while on duty.

##### What is the basis for determining the inherent authority.

The Congress has clearly supported the provision of cafeteria facilities for Federal employees by granting specific approval for funding the construction and equipping of such facilities. The Comptroller General has noted that the provision of such facilities is analogous to providing rest, toilet, lavatory, locker rooms, and drinking facilities, Decision P-4689, November, 1924 (which has been upheld by a number of subsequent decisions).

The Federal Acquisition Regulation (FAR) and its Small Business Set-aside requirement pursuant to PART 19 are not applicable to food service contracts. Food service is a non-appropriated activity and the procurement process does not have to meet the FAR requirements. This is based on a prior opinion by Office of General Counsel that the set-aside requirement is not applicable because concession contracts do not involve the expenditure of appropriated funds. It is also based on Controller General decision B-253161, August 19, 1993.

##### Advantages

The Government has greater control on the type and quality of services being provided from typical Randolph-Sheppard and commercial providers when the food service is under contract.

The Government as an employer is the principal recipient of benefits or services provided by food service contracts. It is in the agencies interest that their employees eat within the allotted lunch period and within the building they are housed. Employee morale is the over-riding

consideration in developing respective food service. The service provided by the contractor for the occupant agencies and their employees is considered the major benefit or payment received by the Government.

The Comptroller General has also recognized that financial return to the Government is not the most Important consideration in contracting for food services. The purpose of food services in buildings are to employ and retain the number and type of employees necessary for the Government to conduct its business in a satisfactory manner. The purpose is **not** to obtain the greatest possible direct financial return but, to serve the interests of the government indirectly by providing food service for employees and their welfare, Decision No. 8-119832 (35 Comp. Gen. 113).

### **Disadvantages**

Its becoming more difficult for GSA contract cafeterias to compete in the market place and the program has significantly been reduced. Contract cafeterias have limited operational hours five days per week operations, 251 days a year. Most commercial food services are open throughout the day, six or seven days per week, and provide the three basic meal services per day. Contractors are faced with additional constraints such as those imposed by the competition permitted by the Randolph-Sheppard Act for the Blind, higher wage levels required under the Service Contract Act, remote locations, and security measures that results in negligible patronage by outsiders.

Contracts **may** require a significant amount of resources in the award process and oversight and administration in comparison with Randolph-Sheppard (R-S) permits, outleases, and other licenses or permits.

Property Management goals may be compromised by providing a cafeteria space that requires an increase of joint-use-space. Increasing joint-use-space may make the property less competitive in the future.

### **Applicability of this Act**

A wide range of food service can be provided through contracts with Randolph-Sheppard (R-S) and Commercial providers, including the typical cafeteria, food-courts, cafes and sometimes onsite grill services. It is suggested that when the PM is providing food service within a building that has a complete market need and requires compliance to specific needs, the food service should be arranged by contract. It is further recommended that the bundling of all services in a building or other small services not operated by R-S be by contract. Note that this contract process does not require complex solicitations and agreements.



## DEVELOPING A CONTRACT

The material is intended to guide the preparation of the Request for Proposal (RFP), and including the feasibility study, Government Models and the Food Service Acquisition Plan (Plan).

Contracting for food service requires extensive cooperation between the Contracting Officer (CO) and PM personnel. PM should meet with the CO to determine what information is required to activate the process and bring it to a successful conclusion. Teamwork and good communication are essential to a positive outcome, and these skills should be emphasized during all phases of the process.

Guidance and other important information are noted in red print that is contained in a double line border. Also, optional requirements are noted in this same format and the PM must select those requirements that meet his needs. The PM may select to use or not to use any of the requirements or factors in this guide or the sample RFP, including those listed under options.

*Individual options and associated information are noted in italicized print.*

The requirement to set aside procurement pursuant to FAR PART 19 is not applicable to food service contracts, however procurements may be Set-aside if desired.

Food service is a non-appropriated activity and the procurement process does not have to meet the FAR requirements.

It is imperative that the CO and PM determines how complex the procurement process needs to be. When the Governments requirements are simple the procurement process should reflect the same conditions. The CO and PM shall exercise good judgement in defining the needs of the Government. The contract requirements should address the specific food service needs of a specific building and building occupants.

The detail and complexity of the RFP should match the complexity of the food service required for that specific location. Remember that selected requirements may increase or reduce the cost, services, and administration responsibilities for the Government or contractor.

### **How does the procurement process begin?**

The procurement process begins when the PM or the Concessions Specialist (also acting as the technical advisor to the CO), identifies a program procurement need.

### **What kind of data and information is required?**

Providing the most current and best available statistical data in the solicitation is the major factor in successful food service procurement.

As a pre-requisite in developing food service contract requirements or draft RFP, the PM shall undertake a market analysis and/or feasibility study. A feasibility study will determine or verify the level of food service needed. In addition, the study will provide the most current data and information needed to complete the draft RFP. An excellent format for a Market Analysis and Feasibility Study is found in Appendix A-1.

### **How is the information transferred to the CO?**

The PM shall develop a concise statement **or draft RFP** describing the GSA requirement and the services to be acquired. It is recommended that the PM complete the Sample Foodservice RFP shown in Appendix C-1 as a draft RFP.

The CO and PM needs to take care that this guide and its sample appendixes are not copied in its entirety but used as a tool to assist them in the preparations of the required RFP, models, and Food Service Acquisition Plan documents needed to procure this food service. Both should select to use the requirements, options, and factors that provide the level of food service that is effective and viable.

The CO and PM shall coordinate and make consistent the government's requirements as they are drafted into the RFP, models, and acquisition plan.

In some cases the Government has detailed knowledge of what level of food service the market place can provide and in those cases the RFP may include such details. In other examples the Government may have little information of what level of service could be successful or viable and depend on offerors evaluating the opportunity to respond with a successful proposal. A simple procurement may consist of a proposal that request details on past performance, experience, and what food service the offeror may propose, and may include an oral presentation by the offerors. The RFP requirements, evaluation factors, and requested information from offerors should be consistent.

### **Are Government Models required?**

The PM should determine **if** of the following two **options** are necessary for this procurement process.

*Option 1. A Government Model Pro-Forma and Staffing Schedule is not required when level of service and menu selections are not defined or oversight is not required for menu pricing in the draft RFP.*

*Option 2. A government pro-forma and staffing model is required when level of service and menu selections are defined and oversight is required for menu pricing in the draft RFP.*

The PM should prepare the Models to indicate the minimum level of performance or compliance acceptable to meet the requirements of the draft RFP. A Model Pro-Forma and Staffing Guide is shown in Appendix C-2 a & b.

*The models serve as primary standards for the verification of proposal content against the evaluation factors in the solicitation. The models serve as a positive indicator of the minimum*

*performance or compliance acceptable to meet the requirements of the solicitation, against which proposals are compared and scored. It establishes reasonable expectations of what the operator's costs should be for the provision of the various goods and services required in performing the contract and the relationship with projected income.*

Although care should be taken to ensure the accuracy of the data used, models may be modified as appropriate. For example, a change could be based on an amendment to the solicitation addressing a change in building population or revised occupancy schedule.

**What activates the procurement process?**

The PM forwards the draft RFP describing the GSA requirement and the services to be acquired to the CO. This should be done a minimum of one year prior to the date the service will be required.

**Who has the authority and responsibilities for the RFP.**

The CO has the overall responsibility for preparing, publishing, amending and administering this contract. The CO alone, without delegation of duty is authorized to take actions on behalf of the Government to amend, modify or deviate from the contract terms, conditions, requirements, specifications, details and/or delivery schedules. However, the CO may delegate certain other responsibilities to authorized representatives. The CO has the overall responsibility for the administration of this contract.

**What procurement method is recommended for food services?**

The required food services should be procured using "**best value trade off**" and procedures for competitively negotiated acquisitions. **Generally the CO is the Source Selection Authority (SSA).**

Special circumstances may warrant the Source Selection Authority to be a management level official above the CO and division directors (e.g., Assistant Regional Administrator, PBS or his designee).

**Should an acquisition Plan be Drafted?**

The CO with the assistance of the PM should draft a "best value trade off" acquisition Plan that reflects the GSA requirements for service in the RFP. It is recommended that the CO and PM complete the sample Food Service Acquisition Plan as shown in Appendix C-4.

**What are the Randolph-Sheppard Requirements?**

GSA gives priority to blind vendors as required by the Randolph-Sheppard Act for food service procured by contracts in the award process. This process as detailed in the Act allows the PM to give priority in a competitive procurement. When the SLA submits a proposal that is determined to be in the competitive range, the SLA is awarded the contract. See Appendix C-4, Food Service Acquisition Plan, 7. Competitive Range.

Direct negotiations with the SLA under the Randolph-Sheppard Act are **optional**. This is not a requirement of the law, but included as an option and may be exercised before conducting procurement.

*Optional. The PM may recommend that the CO enter into direct negotiation with the SLA for the operation of a cafeteria. Before the PM determines to recommend direct negotiations with the SLA, the PM should review the past performance of the State in the operation of comparable food services and their success in this level and type of service delivery. Should PM decide to pursue the direct negotiations, the recommended methodology is shown in Appendix C-3, Direct Negotiation with the State License Agency.*

The CO will ensure that the SLA receives a pre-solicitation notification for the competitive procurement. i

The requirement to set aside procurement pursuant to FAR PART 19, (Small Business Administration) is not applicable to food service contracts, however procurements may be Set-aside if desired.

### **How shall the Government advertise?**

Wide publicity shall be given. A pre-solicitation notice (see Appendix C-9, Sample Letter Notice to Prospective Offeror) may be used when deemed appropriate by the CO and the PM. When used, the Pre-solicitation Notice shall be synopsized in FEDBIZOPS or as otherwise provided by the FAR.

A procurement notice shall be listed in accordance with FAR 5.2., and local, city, and state food service associations should also be notified as sources of prospective offerors.

### **Should a pre-proposal conference be conducted?**

The pre-proposal conference shall be held to explain to prospective offerors the scope of the operation and any general and local conditions which could affect how services are to be performed. The CO or his/her representative, and the PM conduct it. For complex source selections, the pre-proposal conference helps to avoid misunderstandings that could hamper the procurement process and result in unnecessary delays. Examples of subjects to discuss are: the type, variety, and condition of equipment, site conditions, solicitation provisions, relative responsibilities of the government and contractor, and other contractual matters.

The pre-proposal conference should be conducted onsite if possible and should allow prospective offerors to observe the physical layout and other actual conditions in the facility. As the offerors' knowledge and understanding of the facility improves, so do the prospects that their proposals will result in a successful contract operation.

(a) The information relating to sales, patronage counts, and check averages is the only information regarding the incumbent contractor's operation the Government is required to provide the prospective offerors.

(b) Frequently, prospective offerors will request the CO to disclose the lengths of service of the incumbent contractor's employees. The CO should make every reasonable effort to provide this information to offerors to enable them to more closely estimate labor costs and promote submission of more accurate and meaningful proposals.

(c) The information relating to the incumbent contractor's operating costs and percentage for food, labor, overhead, profit, etc., is considered proprietary and should not be disclosed.

## ADMINISTERING CONTRACTS

The administration of food service contracts must be consistent with current GSA practices and performed in a manner to achieve the program goals. This material is used with the contract document that is specific for options that were selected at the time of contracting.

Administering food service contracts requires extensive cooperation between the Contracting Officer (CO) and PM personnel. PM should meet with the CO to determine what responsibilities are required to be successful. Teamwork and good communication are essential to a positive outcome, and these skills should be emphasized during all phases of the contract.

Guidance and other important information are noted in red print that is contained in a double line border. Also, optional requirements are noted in this same format and the PM must select what requirement meets his needs. The PM may select to use or not to use any of the requirements or factors in this guide or the sample RFP, including those listed under options.

*Individual options and associated information are noted in italicized print.*

### **Who is responsible for the administration of food service contracts?**

The CO is responsible for the administration of food service contracts. Technical assistance in these functions is furnished by the PM. The CO alone, without delegation is authorized to take action on behalf of the Government to amend, modify or deviate from the contract terms, conditions, requirements, specifications, details and/or delivery. The CO may delegate certain responsibilities to authorized personnel.

The Contracting Officer Representative (COR) is designated by the CO to assist in the discharge of his/her responsibilities when he/she is unable to be directly in touch with the contract work. The responsibilities of the COR include, but are not limited to determining the adequacy of performance by the contractor in accordance with the terms and conditions of this contract. The COR acting as the Government's representative in charge of work at the site ensures compliance with contract requirements insofar as the work is concerned and advising the CO of any factors which may cause delay in performance of the work.

Contract inspectors are subordinates of the COR and are responsible for the day-to-day inspection and monitoring of the contractor's work. The responsibilities of the contract inspector include, but are not limited to inspecting the work to ensure compliance with the contract requirements. The inspectors document the results of all inspections conducted through written inspection reports. Inspectors follow through to assure that all defects or omissions are corrected and confer with representatives of the contractor regarding any problems encountered in the performance of the work.

### **What are the financial considerations of a food service contract?**

Food service contracts must be self-supporting. The issuance of a solicitation for a food service should be contingent upon the concept that GSA does not provide funds to subsidize a nonviable food service contract.

- **Profit and administrative expenses.** The contractor shall review and maintain on an annual basis the menu price structure not to exceed a combined net profit and administrative expenses of 10% of net sales (GSA Form 2817) from the operation for the full-term of the contract.
- **Reasonable profit.** The region should consider the goal of the contractor is to realize the profit potential stated in the contract. For the purpose of this consideration, a combined administrative fee and profit of 4-6% can be recognized as a reasonable profit. In the event the contractor is not realizing a reasonable profit, or is incurring a loss, adjustments may be negotiated to permit a reasonable profit.
- **Adjustments.** With concurrence of the PM, menu prices should be adjusted to maintain viable service, meet service level requirements and reflect market conditions after contract evaluations have determined the contractor is in compliance with the contract requirements.
- **Financial relief.** After contract evaluations have determined the contractor is in compliance with the contract requirements and it has been determined that menu price increases will not maintain essential service the PM should consider financial relief to the contractor. The PM can consider financial relief for the following obligations of the contractor within the standard food service contract:
  1. Reduce hours of operation.
  2. Reduce level of service.
  3. Reduce or waive monthly fee to the Government, one and one-half percent of net sales, GSA Form 2817.
  4. Provide preventive maintenance and perform conditional repairs to government-owned equipment.
  5. Provide trash removal from premise.
  6. Clean the dining area.

## POST AWARD CONFERENCE

### How does the process start?

The post award conference should be held immediately after the award of the food service contract and prior to commencing operations of the facility. Psychologically it is the best time to optimize cooperation and establish open communications. Each item on the agenda should be reviewed and specific dates established for performance and submission of all required data. A memorandum to the official file should be written immediately after the meeting documenting discussions and agreements reached. The following Sample Post Award Conference Agenda illustrates some vital areas to be discussed during this session:

- **Notice to Proceed.** Confirm status of Notice to Proceed.
- **Insurance coverage.** Contractor shall furnish evidence of the following insurance coverage prior to commencing operations under the contract:

- **General public liability.** Includes food product coverage, covering all duties, services, and work to be performed under the contract. Bodily injury not less than \$100,000 for each person and not less than \$300,000 for each occurrence. Property damage not less than \$25,000 for each accident.
- **Automotive equipment liability.** (If required). Bodily injury not less than \$50,000 for each person and not less than \$100,000 for each occurrence. Property damage not less than \$25,000 for each accident.
- **Workmen's compensation and employer liability.** The contractor, by signing the contract, has agreed to maintain this insurance for the protection of his employees.

Each contract outlines specific contract requirements. The administration of each contract should match the detail and complexity as required by the RFP. The following are sample requirements that may or may not be included in a specific contract and the PM should only select those that match the contract requirements.

- **Contract requirements.** The PM should be familiar and review the specific contract requirements. The following typical contract requirements are not all inclusive:
  1. Past Performance
  2. Experience
  3. Resources
  4. Menu Cycle and Variety
  5. Sanitation
  6. Preventive Maintenance
  7. Controls
  8. Menu portion, prices, and standard unit of measurement price
  9. Staffing patterns and schedules
  10. Innovations
  11. Budget (pro forma)
- **Other contract considerations that should be reviewed at the Post Award Conference:** PM should also consider the following contract requirements in addition to those listed above:
  1. Procedure for price adjustments.
  2. Report requirements, timelines.
  3. Tentative schedule of district, area, and corporate visitations and follow-up procedures.
  4. Advise the contractor of the channels of communications and the relationship between the contractor, contracting officer, buildings manager and agency liaison.
  5. Reaffirm the best available information regarding projected occupancy figures or occupancy schedule given in paragraphs 1. and 3. respectively of Section C of the solicitation.



6. A complete physical inventory should be taken before the initiation of a new contract and should include small wares generally provided by contractor and Capital Equipment. The contractor and PM should be present during the physical counting and recording of the inventory.
7. The depreciation expenses reported in the monthly P&L statement should correlate with whatever was accepted with the proposal.
8. Copies of all subcontracts shall be submitted to GSA including but not limited to:
  - Garbage and trash removal.
  - Repair and maintenance.

## **ADMINISTRATIVE TOOLS AND PROCESS**

### **How is the monthly profit and loss (operating) statement utilized?**

The Financial Statement provides the communications link between the contractor and the contracting officer. It is a vital tool for monitoring the contractor's performance. It presents information concerning sales, expenses, and profitability. Analysis of the statement will show if the contractor is operating on a viable basis within the framework of the contract requirements. For detailed information on how to utilize the profit and loss statement see How to Use the Monthly Profit and Loss Statement, Appendix C-11. A typical statement contains:

- **Sales.**
- **Food cost (cost of goods sold).**
- **Labor cost (payroll costs).**
- **Miscellaneous expenses.**
- **Payment to the Government.**
- **Administrative expense and net profit.**

It is recommended that the CO or his representative ensure that each contractor's monthly profit and loss statement is correctly reviewed and a "spread-sheet" is maintained for each contract. Specific common items can be identified and when "tracked" will provide the necessary bottom-line information to the contracting officer.

### **How do we focus on and measure customer satisfaction?**

GSA performance scores can be used as an indicator on how well the building tenants are satisfied with the food service provided under contract. This is only a simple indicator and can not be used as a measure for a contractor. It is recommended that the PM or the contractor use a detailed customer satisfaction surveys to measure the satisfaction of the building occupants.

### **When are menu, price or portions adjusted?**

Management initiatives in marketing or significant increases in the cost of operations such as food or labor can create the need for adjustments to the menu, price, and portion. Depending on the individual contract the menu, price and portion as submitted in the contractor's proposal may be binding upon the contractor. Any change in menu, price, or portion including additional items for sale may require approval of the PM or CO.

When approval is necessary the contractor may submit a request for price adjustments using a percentage increase by menu category method. This method of requesting a price increase is simple and directs a minimum of documentation and justification. The contractor can identify a menu category that he has determined is under priced. The categories of menu items can be identified as entrees, vegetables, beverages, soups, desserts, etc. The identification could also be more specific as beef, frozen juice, dairy products, etc.

Or, the contractor simply requests blanket authority to increase a category by a specific percentage figure or specific amount he has determined to be necessary to maintain viable operation, including the realization of a reasonable profit.

The CO shall respond to the request within twenty-one (21) calendar days of the receipt of all pertinent data or the change shall take effect automatically after the contractor completes the required procedures. The CO shall modify the contract with an amendment for the change or notify the contractor what action would be acceptable to the Government, if any. All amendments shall be signed by the contractor and returned to the CO before the effective date of price or selection change. No menu change shall be in effect until notice with a brief statement of cause has been made to the patrons and to the CO with a new menu, price and portion.

#### **Should food service contracts be audited?**

Audits should be performed on a priority basis, as recommended by the PM. Additional audits may be scheduled if conditions warrant or if specific follow-up is desirable. These audits must be conducted with support of the PM and may entail a concurrent operational evaluation and audit of the contract. The food service contract audits may be conducted at corporate and regional offices.

All food service contract audit findings and recommendations should be discussed by the auditor in an informal exit interview with the PM, and food service manager, or with representation from the corporate office in the case of a headquarters audit. The auditor should provide findings and recommendations in draft form to the COR for informal review and comment. The auditor performs a coordinated follow-up review of action taken to implement audit recommendations.

Cafeteria contractors shall be required to self-certify their end-of-fiscal year profit/loss statements for submission to the CO. The purpose of this requirement is to place greater emphasis on the contractor's responsibility to submit accurate and timely reports, while significantly reducing the need and frequency of administrative contract audits by agency personnel. The CO shall submit copies to the PM.

## Appendix A-1 Concessions Feasibility Study Template

This template is designed to assist property managers in conducting concessions feasibility studies. A feasibility study is the process that determines the appropriate level of concessions services on GSA controlled property. The process supports GSA's policy to arrange and maintain concessions services at sites where services are essential to client agencies. A feasibility study indicates the level of concessions services that a building population may sustain in the face of competition from neighboring, commercial facilities.

GSA concessions services must be self-supporting or viable operations. Cost for services are not paid with appropriated funds. Determining the specific level or type of service that may be viable is the most critical determination in the concessions program because the quality of any service is directly affected by its viability.

This template contains three survey forms, a needs assessment worksheet, a service level chart and facility type definitions, and a recommended service level form. The three survey forms, Survey of Existing or Proposed Food Service, Survey of Available Area Food Services, and Survey of Agency Needs, when completed, provide the property manager with the necessary information to complete a feasibility study. The Needs Assessment Worksheet enables the property manager to consider information from the three surveys and to formulate an adjusted building population. The appropriate concessions service level is established by comparing the adjusted building population with the Service Level Chart. Transferring data recorded on the various forms and worksheets to the Summary Information and Recommended Level of Service form completes the template.

The following are included in this template:

Figure A-1, Survey of Existing or Proposed Food Service, and Figure A-1a, Instructions.

Figure A-2, Survey of Available Area Food Service and Figure A-2a, Instructions.

Figure A-3, Survey of Agency Needs and Figure A-3a, Instructions.

Figure A-4, Needs Assessment Worksheet and Instruction.

Figure A-5, Service Level Chart.

Figure A-5a, Service Level or Facility Type Definitions.

Figure A-6, Summary Information and Recommended Level of Service and Figure A-6a, Instruction.

**SURVEY OF EXISTING OR PROPOSED FOOD SERVICE**  
Instructions for Completing this form is on the back of this page

1.	T W E	5.	TOTAL SQUARE FEET
2.	BLDG. POPULATION	6.	SEATS
3.	SQUARE FEET KITCHEN & SERV.	7.	DAILY LUNCH PATRONAGE
4.	SQUARE FEET DINING	8.	DAILY PATRONAGE

		YR. 1	YR. 2	YR. 3
9.	TOTAL SALES			
10.	LUNCH CHECK AVERAGE			
11.	ADMINISTRATION AND PROFIT			

12.	V I A B L E		N O N - V I A B L E	
13.	P A T R O N I Z E D		N O N - P A T R O N I Z E D	
14.	S I Z E D	O V E R S I Z E D	U N D E R S I Z E D	

SCHEDULED PROGRAM UPGRADES:	
a. REQUESTED UPGRADE:	
_____	
_____	
b. BA54, R&A 5 YR. UPGRADE:	
_____	
_____	
c. A64 EQUIPMENT REPLACEMENT:	
_____	
_____	

Figure A-1. Survey of Existing or Proposed Food Service.

### **Instructions for Completing Survey of Existing or Proposed Food Service**

#1. Select proper designation from figure A-5a, Service Level or Facility Type Definitions.

#2. An accurate count of building occupants in an existing building or a valid estimate of occupants in a proposed building is essential toward determining the appropriate service level or facility type. Use all available sources to determine the required data, i.e. published reports, building managers, and clients.

#3 - #5. Enter actual data or an estimate of space using figure A-5, Service Level Chart.

#6. Enter an actual count or an estimate of the number of seats needed. A quick method for estimating the number of seats is to take 10% of the adjusted building population in figure A-5, Service Level Chart.

Items #7 - #11. Existing contract cafeteria data may be obtained from the current cafeteria contractor. Existing R/S Permit data may be obtained from the SLA. In a new location, obtain data from existing comparable facilities serving similar agencies and facing similar competition.

In 2000, nationwide figures indicate that typically:

- food services operate 251 days per year for breakfast and lunch.
- daily patronage equals 60% - 80% of the building population, depending on area competition.
- daily sales equals \$1.40 per building occupant for all services in the building including vending machines.
- lunch patronage equals less than 40% of the building population.

Item #12. Determine contract cafeteria viability if Item #11 is 2% or greater of Total Sales. Request viability information for R/S permit operations from the SLAs.

Item #13. Determine if patronage of an existing food service is adequate by dividing Item #7 by Item #2. If the result is 30% or greater, the facility is adequately patronized.

Item #14. Determine if an existing facility is properly sized, oversized, or undersized by comparing Item #2 with figure A-5, Service Level Chart.

Item #15. List and describe any facility upgrades contemplated for an existing facility

**SPECIAL NOTE:** The information as shown in lines #1 through #11 when used for lines #13 and #14 will only indicate potential viability and operational problems in the existing facilities. This information is based on averages in building populations and lunch patronage and will not reflect peak load conditions. This information may not match feasibility findings.

**Figure A-1a. Instructions for Survey of Existing or Proposed Food Service.**

**SURVEY OF AVAILABLE AREA FOOD SERVICES**  
(see instructions on reverse side)

<b>FEASIBILITY STUDY FOR:</b>							
<b>I. NAME AND TYPE FOOD SERVICE</b>							
<b>2. MAP LOCATION #</b>							
<b>3. NON-CONSIDERATION, MARK WITH "X"</b>							
NORMAL TRAVEL TIME							
SURROUNDING AREA							
SANITATION							
INTERIOR ATMOSPHERE							
QUALITY OF FOOD							
PRICE OF MEAL							
SPEED OF SERVICE							
SEA							
AVAILABLE CAPACITY							
<b>4. NUMBER OF SEATS</b>							
<b>5. SEATS CONSIDER</b>							

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Figure A-2. Survey of Available Area Food Services.**

### **Instructions for Completing Suvey of Available Area Food Service**

Unless the adequacy of surrounding facilities is obvious, a detailed survey of commercial food services is conducted to determine their overall ability to serve Federal employees. All food service facilities within a three-block radius of the Federal building should be considered in the survey, including other Federal buildings. At the top of the form indicate the name of the Federal building scheduled for the feasibility study.

1. Indicate the names of each local food service facility to be included in the survey. Indicate the type of food service each facility provides (e.g., take-out, sit-down, snack bar, deli, fast food, limited or full service, cafeteria, etc.). Figure A-2 has space for seven food services, use as many sheets as required.
2. Indicate a number to identify each food service and mark the number on a corresponding attached map.
3. Complete the table for each category (e.g., normal travel time, surrounding area, sanitation, etc.). When a category is blank, it is considered acceptable for government use. When a category is not considered for government service, mark it with an (X).
4. Indicate the seating capacity.
5. Indicate the seating capacity considered acceptable for government use.
6. Indicate the total number of seats considered for government use. (When a facility has one or more categories that indicates not considered for government service, no seating for that unit is considered in the total.)

**Figure A-2a. Instructions for Survey of Available Area Food Service**

**SURVEY OF AGENCY NEEDS**  
(see instructions on reverse side)

<b>FEASIBILITY STUDY FOR:</b>
1. Name of your agency and work function:
2. Space assignment location:
3. Projected or actual number of agency employees:
4. Average grade/salary of agency employees:
5. Average number of daily visitors:
6. Are there specific times during the year when your agency expects heavier, lighter, or no public traffic? Explain.
7. What security measures will your agency require, and will these requirements restrict public access to foodservice facilities that may be established?
8. Will there be restrictions on where food and beverages may be consumed, such as foodservice locations only?
9. Will lunch periods be dictated by policy or by work process?
10. What are the normal lengths of breaks and lunch periods allowed by your agency?
11. Does your agency have any plans that would dramatically affect the number of Federal employees working in the building during the first three years following occupancy? If so, please describe.

**Figure A-3. Survey of Agency Needs**



### **Instructions for Completing Survey of Agency Needs**

Schedule an interview with up to three of the major tenant agencies that are or will be accommodated at the site location. Create a copy of the blank worksheet for each tenant agency to be interviewed, schedule the interview, enter the scheduled date on the worksheet, and then send a copy to the appropriate tenant agency representative for review in advance of the interview. Ask the tenant agency representative to complete the worksheet by addressing each of the eleven items and entering the information requested. Verify each entry during the interview and clarify or modify as needed.

- a. Item #1 - enter information requested.
- b. Item #2 - describe where in the building the agency's office space assignment is or will be stacked at the site location.
- c. Items #3 - #4 - enter information requested.
- d. Item #5 - based on the agency's experience over the past year, calculate the average number of daily visitors on the basis of 251 working days per year. As accurately as possible, categorize visitors by type: i.e., contract workers, general public, clients, jury pool members, jurors, attorneys, litigants, defendants, military recruits, trainees, etc.
- e. Items #6 - #8 - enter information requested.
- f. Item #9 - in cases where some Federal employee's lunch period is dictated by policy and some by work process, enter the number of Federal employees affected by each factor.
- g. Items #10 - #11 - enter information requested.

**Figure A-3a. Instructions for Survey of Agency Needs**

**NEEDS ASSESSMENT WORKSHEET**  
See Instructions for completing this worksheet, this page

<b>1. BUILDING POPULATION</b>	<b>#1</b>	
<b>2. CONSIDERED COMMERCIAL SEATS</b>	<b>#2</b>	
<b>3. NUMBER OF BLDG POPULATION RESTRICTED</b>	<b>#3</b>	
4a. enter line #1 _____ 4b. enter line #2. _____ 4c. subtract line #4b from line #4a _____ <b>4d. ENTER IN LINE #4C IN LINE #4</b>	<b>#4</b>	
5a. enter the larger, line #3 or line #4 _____ 5b. enter 25% of line #3 _____ 5c. add line #5a to 5b _____ <b>5d. ENTER IN LINE #5C IN LINE #5</b>	<b>#5</b>	
<b>6. USE LINE 5 AS THE ADJUSTED BUILDING POPULATION FIGURE, Go to Figure 1-5, Service Level Chart and locate the recommended service level.</b>		

**Instructions for Completing Needs Assessment Worksheet.** This worksheet is used to determine the level of food service required by the Federal building feasibility study, and the size in Square Feet.

1. Enter the building population. This figure may exist or be proposed for the building peak load conditions. The figure should be adjusted by adding the number of visitors and subtracting the night population.
2. Estimate and enter the considered commercial seats available in the area. Use the total number of seats considered for government service as shown in Figure A-2. Survey of Available Area Food Services.
3. Estimate and enter the restricted building population. Use the restricted building population indicated in the Figure A-3. Survey of Agency Needs.
4. Subtract the considered available commercial seats from the building population and enter the total. Should available commercial seats exceed the building population, enter 0.
5. Add 25% Of line #3 to line #3 or 4 (which ever is larger) and enter the total in line #5
6. Use the Adjusted Building Figure in line #5 and select the appropriate concessions level of service in Figure 1-5, Recommended Service Level Chart. (If the Adjusted Building Figure in line #5 is less than 300, the service should be limited to Vending Machines, however GSA must give the SLA a notice of opportunity for building with 100+ building occupants not Adjusted Building Figures).

**Figure A-4. Needs Assessment Worksheet**

**\*SERVICE LEVEL CHART**  
(see Figure 1-5a, for Service Level or Facility Type Definition)

** TYPE AND LEVEL OF SERVICE	***ADJUSTED BLDG POPULATION FIGURE	TOTAL KITCHEN & SERVING SQ. FT	TOTAL DINING SQUARE FEET	TOTAL UNIT SQUARE FEET	VENDING MACHINE AREAS
LEVEL 1. VENDING MACHINES ONLY	100+ 200+ 300+	MIN. REQ'D	MIN. REQ'D	MIN. REQ'D	1
LEVEL 2. SUNDRY STAND	100+ **** SEE NOTE	250	NONE	250	AS NEEDED
LEVEL 3. PREPACKAGED SNACK BAR	400+ 500+ 600+ 700+	600 750 900 1050	480 if req'd. 600 if req'd. 720 if req'd. 840 if req'd.	1080 1350 1620 1890	1
LEVEL 4. LIMITED ONSITE SNACK BAR	800+ 900+ 1000+ 1100+	1200 1350 1500 1650	960 1080 1200 1320	2160 2430 2700 2970	2
LEVEL 5. ONSITE GRILL	1200+ 1300+ 1400+ 1500+	1800 1950 2100 2250	1440 1560 1680 1800	3240 3510 3780 4050	2-3
LEVEL 6. CAFE	1600+ 1700+ 1800+ 1900+	2400 1550 2700 2850	1920 2040 2160 2280	4320 4590 4860 5130	3
LEVEL 7. CAFETERIA	2000+ 2200 2400 2600 2800 3000 3200 3400 3600 3800 4000 4200 4400 4600 4800 5000	3000 3300 3600 3900 4200 4500 4800 5100 5400 5700 6000 6300 6600 6900 7200 7500	3000 3300 3600 3900 4200 4500 4800 5100 5400 5700 6000 6300 6600 6900 7200 7500	6000 6600 7200 7800 8400 9000 9600 10200 10800 11400 12000 12600 13200 13800 14400 15000	4

\* This chart suggests the maximum level of service that typically can be successful in federal space.  
 \*\* See Service Level Definition in Figure 1-5a  
 \*\*\* This is not the actual bldg. population but a formulated figure based on needs and area competition.  
 \*\*\*\* The R/S Act requires that GSA give the SLA 250 Sq. Ft. business opportunity when the bldg. has 100+ occupants, or 15,000 Sq. Ft. A Sundry Stand offer meets the requirements of the Act and should be offered when the property has no service requirements. Sundry Stands should not be used in conjunction with others services within the building but used in place of other types of service.

**Figure A-5. Service Level Chart**

## SERVICE LEVEL or FACILITY TYPE DEFINITIONS

### **LEVEL 1. VENDING MACHINES:**

Vending machines are coin activated machines that automatically dispense goods or sundries. Food products are prepared and packaged off-premise by licensed commissaries. Products may include prepackaged and onsite mixed beverages, and prepackaged milk, soups, salads, sandwiches, meals, snacks, pastries, and ice cream. The service may or may not have an onsite operator.

### **LEVEL 2. SUNDRY:**

In addition to vending machines that may be apart of this facility (as described above) this facility may include news stand materials, gifts, cards, snacks, candy, other sundry items, and beverage. Sundry Stands generally excludes food items and has an onsite operator.

### **LEVEL 3. PREPACKAGED SNACK-BAR:**

In addition to products offered in sundry stands (as described above) this facility may include self-served selections of packaged or onsite mixed beverage and prepackaged foods. Prepackaged snack bars **have no onsite food preparation** and may have attendants and an onsite manager.

### **LEVEL 4. LIMITED ONSITE SNACK-BAR:**

In addition to products offered in prepackaged stands (as described above) this facility may include a limited range of food prepared on premise such as soups, salads, and cold sandwiches that are self and attendant served. Limited onsite snack bars includes food preparation on premise and requires sanitation inspections by certified sanitarian and may have attendants and an onsite manager.

### **LEVEL 5. ONSITE GRILL:**

In addition to products offered in Limited Onsite Snack Bars (as described above) this facility may include a full line of prepared hot foods from a grill and fryer station. This level of service requires complex food service equipment, building utilities, and operational food preparation practices. Onsite Grills require sanitation inspections and have attendants and an onsite manager.

### **LEVEL 6. CAFE:**

In addition to products offered in Onsite Grill (as described above) this facility may include a limited line of prepared hot vegetables and entrees each day. This level of service requires complex food service equipment, building utilities, and operational food preparation practices. Cafes require sanitation inspections and have attendants and an onsite manager.

### **LEVEL 7. CAFETERIA:**

In addition to products offered in Cafes (as described above) this facility may include a wide range and selection of hot and cold foods each day. This level of service requires complex food service equipment, building utilities, and operational food preparation practices. Cafes require sanitation inspections and have attendants and an onsite manager.

**Figure A-5a. Service Level or Facility Type Definitions**

**SUMMARY INFORMATION AND  
RECOMMENDED LEVEL OF SERVICE**

(see instructions on reverse side)

<b>1. FEDERAL BUILDING NAME</b>					
a.	Address	d.	Delegated		
b.	SQ. FT.	e.	Site		
c.	Leased/owned	f.	Area		
<b>2. OCCUPANT AGENCIES</b>		<b>1st LEAD</b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>Others</b>
a.	Tenant Agencies				
b.	Day Population				
c.	Night Population				
d.	Est. Lunch Patron				
e.	Public Access				
f.	Security				
g.	Special Request				
<b>3. RECOMMENDED LEVEL OF SERVICE</b>			<b># SIZE.</b>	<b>LOCATION</b>	
1.	Vending Machine Areas				
2.	Sundry				
3.	Prepackaged Snack Bar				
4.	Limited Onsite Snack Bar				
5.	Onsite Grill				
6.	Cafe				
7.	Cafeteria				

**Figure A-6. Summary Information and Recommended Level of Service.**

### **Instructions for Completing Summary Information and Recommended Level of Service**

Summary information and recommended service level are the property manager's feasibility findings and should be forwarded for appropriate action.

1. Indicate building name and the following information:
  - a. Address;
  - b. Building size, square feet;
  - c. Leased, owned;
  - d. Delegated;
  - e. Urban, metropolitan, or rural site; and
  - f. Area development (commercial or noncommercial, new or redevelopment).
2. Provide information regarding the building occupants as indicated in figures 1-3.
  - a. Indicate the tenant agency or in a multi-tenant building list the major agencies.
  - b. Indicate the day population of the building (during peak load conditions).
  - c. Indicate the night population of the building (during peak load conditions).
  - d. Provide an estimate of the lunch patronage for day service (35% of line #5, figure 1-4).
  - e. Indicate the accessibility the public has to the current or proposed food service facility.
  - f. List any security factors that currently or will affect the level of service.
  - g. List any special requirements of the food service facility under consideration.
3. Indicate the recommended concessions services (number, size, and the location of each in the table), for the Federal buildings, as indicated in figure A-5, Service Level Chart.

Provide any comments or additional information.

**Figure A-6a. Instruction for Completing Summary Information and Recommended Level of Service.**

## **Appendix A-2, pages 1-6**

### **Methods and Processes in providing Concessions**

The following flow charts are to give the Property Manager (PM) a general understanding on the methods and their processes that are recommended in providing concessions services. The Concessions Program covers any food or snack facility i.e. vending machine, sundry, prepackage, onsite snack bar, grill, cafe, and cafeteria food service that is operated by a Randolph-Sheppard vendor, commercial, or non-profit contractor. Pages 1 through 6 of these charts illustrate recommended methods and processes to arrange the essential services.

#### **Contracts**

When the feasibility study indicates that a food service is needed to meet a complex market need such as a cafeteria, café, or on-site grill, the PM should follow the process as outlined in flow chart Figure A-3, page 3, Contract Process. On-site grill operations may also be arranged through Randolph-Sheppard Permits, depending on the reputation of the program provider.

#### **Contracts, Combined all Food Services in Building**

When the feasibility study indicate that a food service is needed to meet a complex market need and the operation can only be sustained by combining all of the concessions operations in the building the PM should follow the process as outlined in flow chart Figure A-4, page 4.

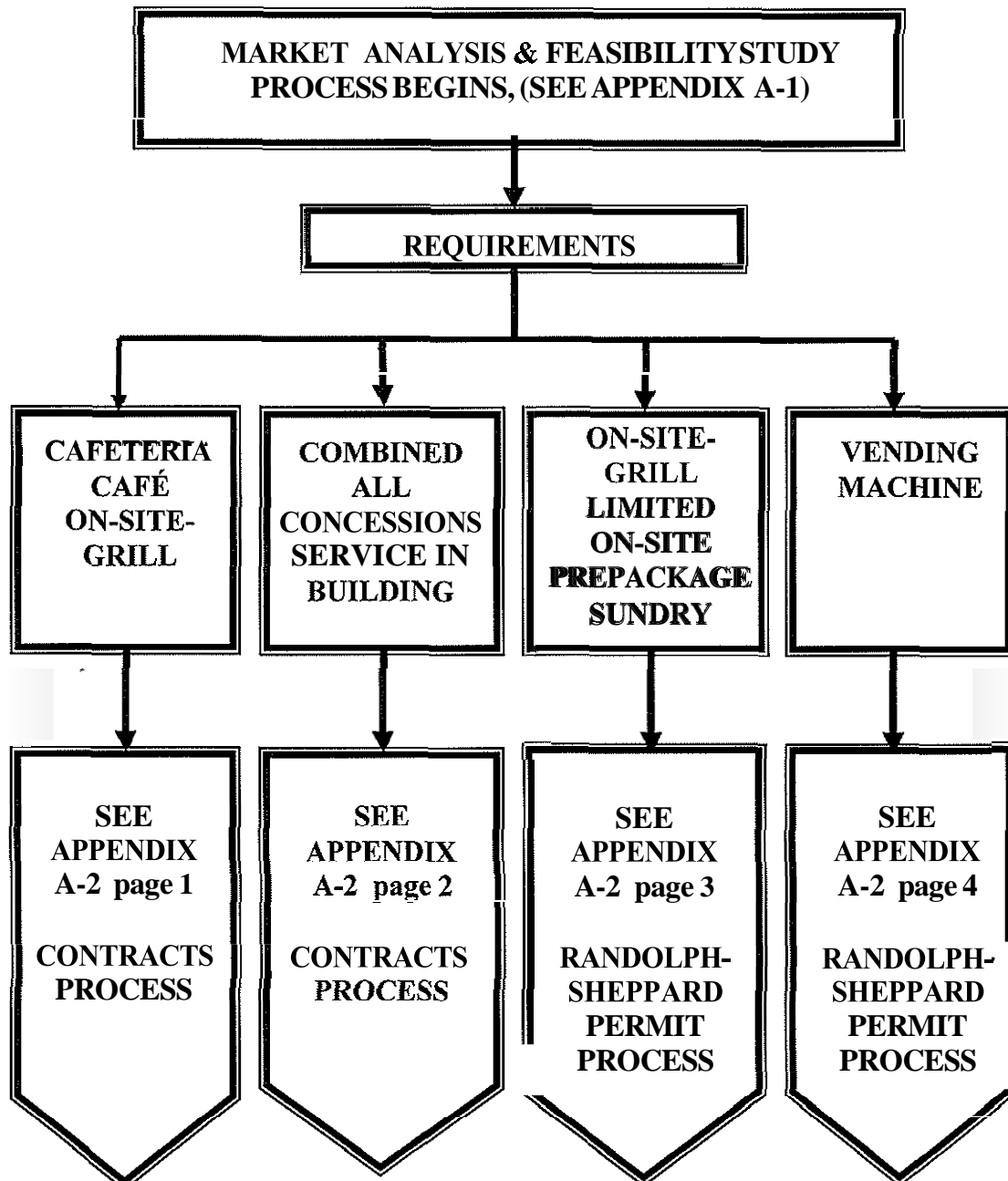
#### **Randolph-Sheppard Permits**

When the feasibility study indicate that a simple food service is needed such as a on-site grill, limited on-site, prepackaged, or sundry snack bar, the PM should follow the process as outlined in flow chart Figure A-5, page 5.

#### **Randolph-Sheppard Vending Machine Permits**

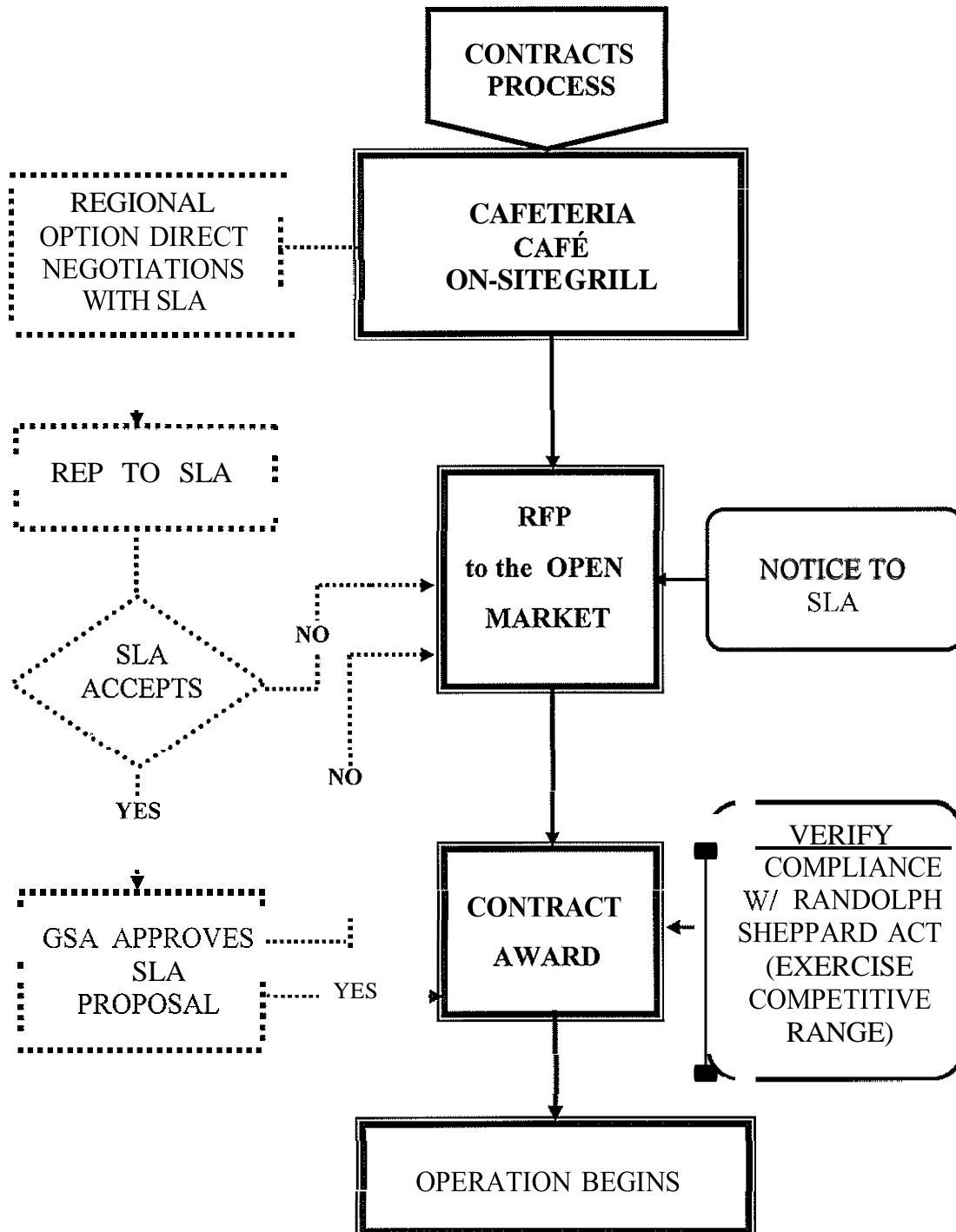
When the feasibility study indicate that vending machines are needed, the PM should follow the process as outlined in flow chart Figure A-6, page 6.

**Methods Processes in Providing Concessions,  
Appendix A-2 page 2**

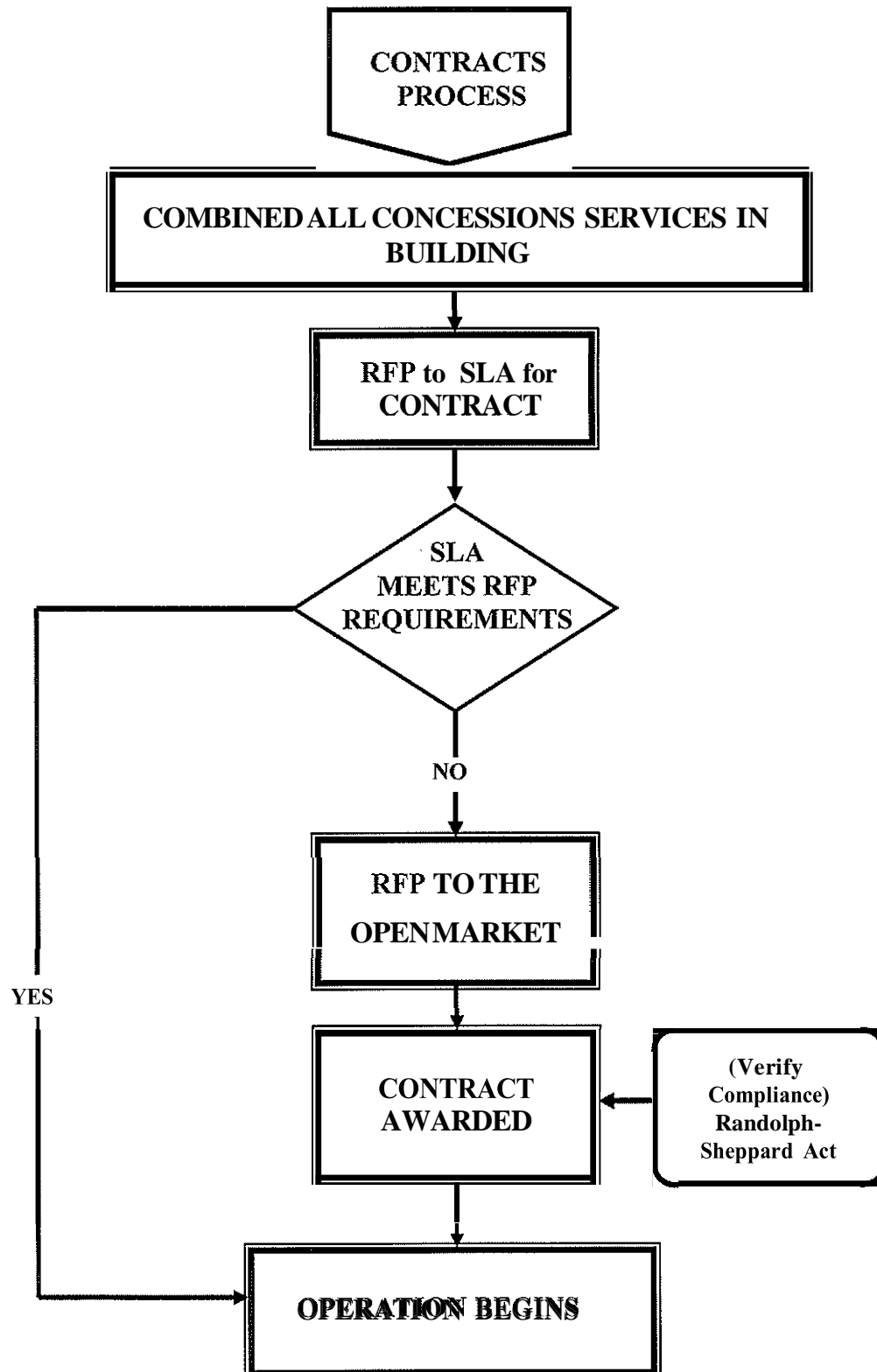




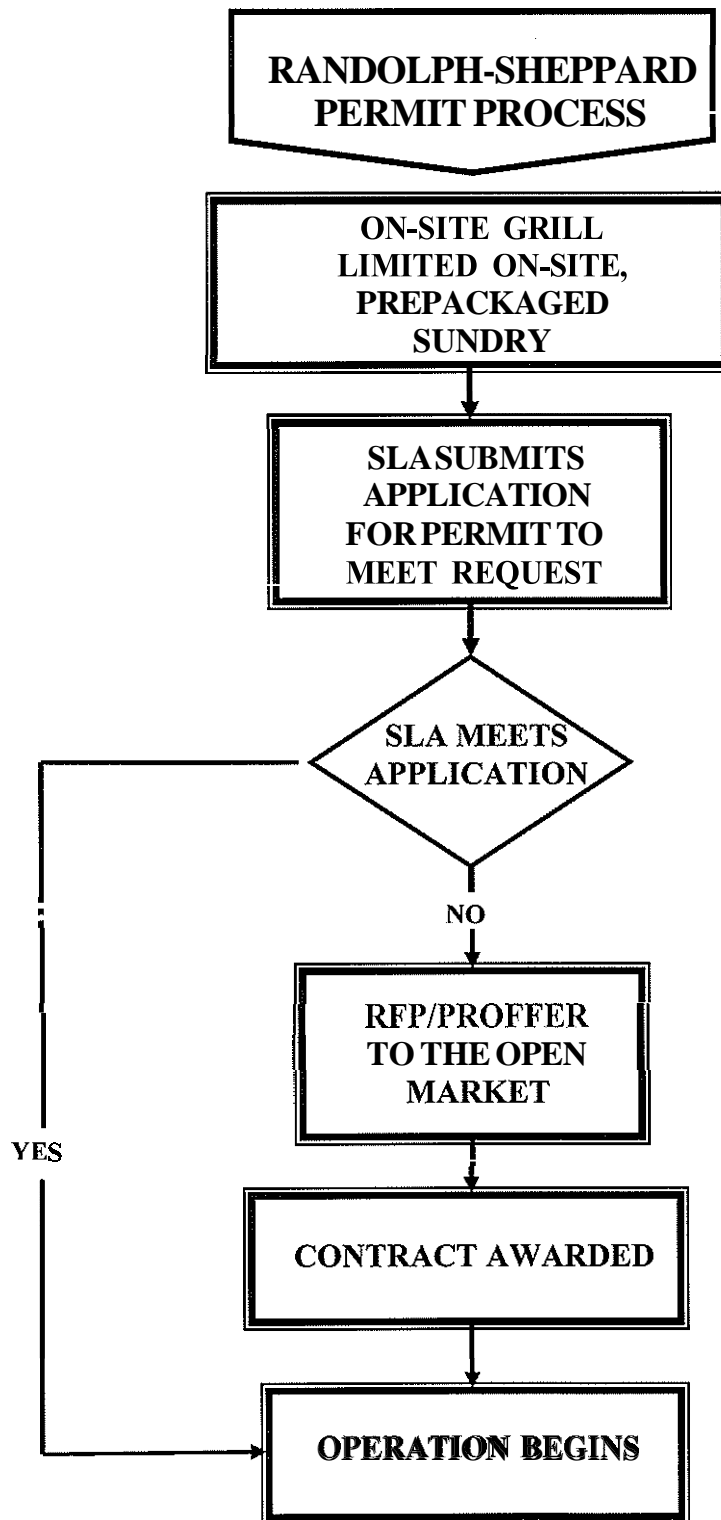
**Processes in Providing Concessions, Appendix A-2 page 3**



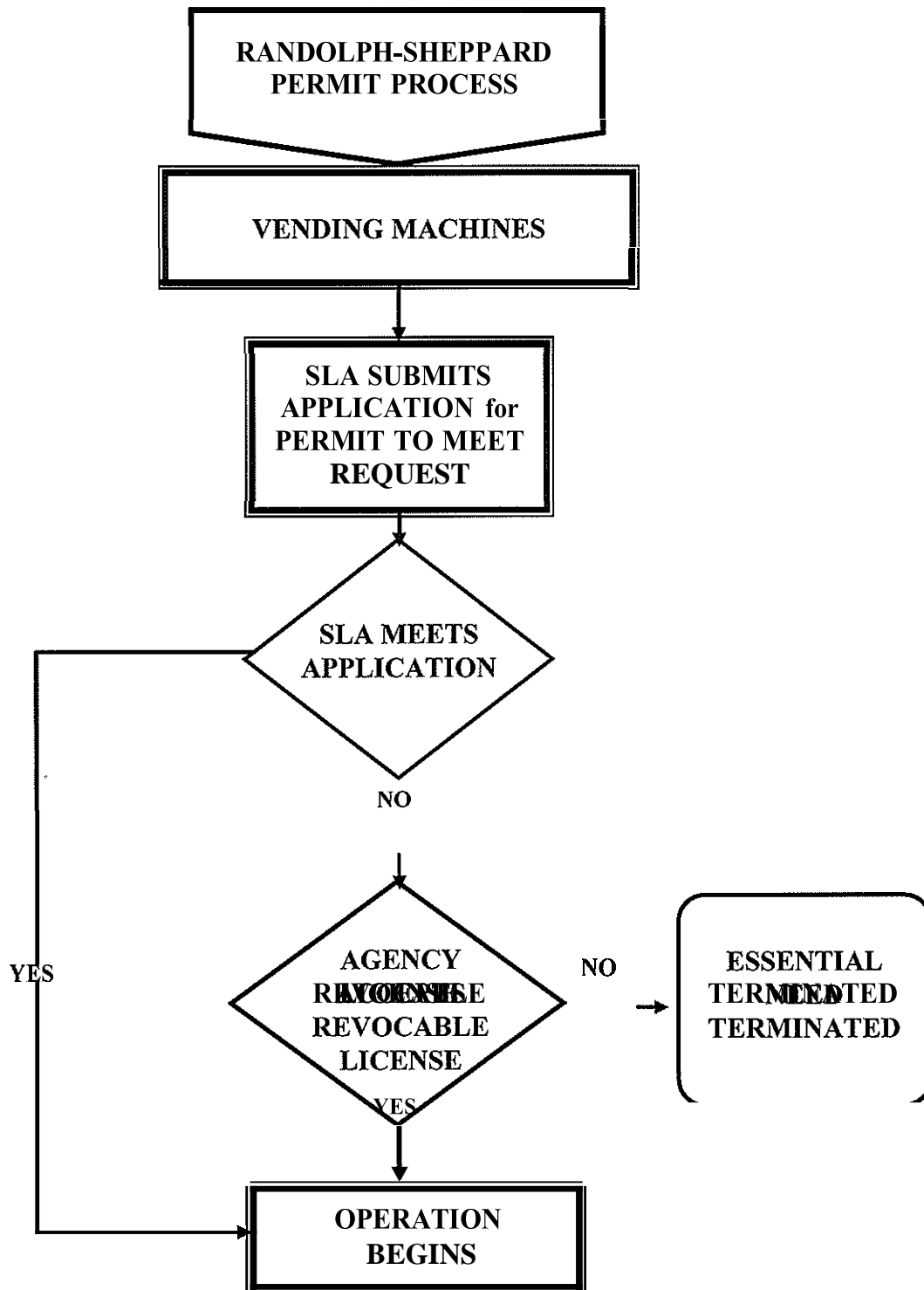
**Processes in Providing Concessions, Appendix A-2 page 4**



Processes in Providing Concessions, Appendix A-2 page 5



Processes in Providing Concessions, Appendix A-2 page 6



## **Appendix A-3**

### **Safety and Sanitation Standards for Food Service Equipment**

This guide is to assist the PM in conveying industry food service equipment safety and sanitation standards for food service equipment to the asset managers, realty specialists, project managers, and architects during the planning phase of new food services.

**1 National Sanitation Foundation (NSF) standards.** Comply with National Sanitation Foundation standards and criteria as follows, and provide NSF "Seal of Approval" on each manufactured buy-out and fabricated item.

- a. No. 2-73, Food Service Equipment.
- b. No. 4-73, Commercial Cooking and Warming Equipment.
- c. No. 35-70, Laminated Plastics for Surfacing Food Service Equipment.

**2. National Electric Manufacturers Association (NEMA).** National Electric Manufacturers Association Publications; ICS-77, Industrial Controls & Systems.

**3. Underwriter's Laboratories (UL).** Underwriter's Laboratories, Inc. for electrical components and assemblies, provide either UL labeled products "Publications; 197-78, Commercial Electric Cooking Appliance; or, where no labeling service is available, provide components from the UL "Recognized Component Index".

**4. American National Standards Institute (ANSI) standards.** For gas-burning equipment, comply with ANSI 221-series standards. Comply with ANSI B57.1 for compressed gas cylinder connections and with applicable standards of the Compressed Gas Association for water connection air gaps and vacuum breakers.

**5. American Gas Association (AGA).** Gas-fired equipment should be AGA approved, equipped to operate on the type of gas available at the job site and should contain 100 percent automatic safety shut-off devices.

**6. National Fire Protection Association (NFPA) standards.** Comply with NFPA, 96 for exhaust systems and with NFPA 17 and 96 for fire extinguishing systems.

**7. American Society of Mechanical Engineers (ASME) code.** Comply with ASME Boiler and Pressure Vessel code for steam generating and steam heated equipment; provide ASME inspection, stamps, and certification of registration with National Board.

**8. National Electrical Code (NEC).** Comply with NEC for electrical wiring and devices included with food service equipment.

**9. American Society for Testing Material.**

- a. A167-77 Stainless and heat-resisting chromium-Nickel Steel Plate, and Strip.
- b. A525-79 Steel sheet, zinc-coated (galvanized) by the Hot-Dip Process, general requirements.

**10. Public Health Service (PHS).** Plan the foodservice facility according to PHS; Food and Drug Administration 1999 Food Code and local health and Safety codes.

**APPENDIX B-1  
SAMPLE NOTICE LETTER TO SLA**

**DATE:**  
**Address: TO SLA**

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Dear \_\_\_\_\_

In accordance with the regulations implementing the Randolph-Sheppard Act, 34 CFR 395.31 (a) & (c), the General Services Administration (GSA) gives notice to the [\_\_\_\_\_ insert state identification] State Licensing Agency for the blind of a vending facility opportunity.

Building Name*
Address*
*or, in lieu of Building Name and Address:
Delineated Area:
City & State
Names of Tenant Agencies:
Number of Personnel
Square Footage of Space to be occupied
Office Hours
Estimated Occupancy Date

This opportunity (is or is not) a project involving relocation from space where a Randolph-Sheppard vending facility already exists.

If yes, provide the Building Name and Address of the current location:

Project Manager or Realty Specialist
Office Symbol
Telephone No.
Space Request No.

Sincerely,

Name of PM

**APPENDIX B-1**

## APPENDIX B-2

### DEPARTMENT OF EDUCATION Office of Special Education and Rehabilitation Services Washington, DC

#### APPLICATION AND PERMIT FOR THE ESTABLISHMENT OF A VENDING FACILITY ON FEDERAL PROPERTY AS AUTHORIZED BY PUB L. 74-732, AS AMENDED BY PUB L. 83-565 AND TITLE II OF PUB L. 93-516 (RANDOLPH-SHEPPARD ACT)

The \_\_\_\_\_ of the State of \_\_\_\_\_, the designated State Licensing Agency (hereinafter referred to as "SLA"), requests approval of the General Services Administration, the Federal property management agency (hereinafter referred to as "FPMA"), to place a vending facility on the property located at

\_\_\_\_\_.

Satisfactory Site: It has been determined that this location meets the criteria of a satisfactory site as defined in 34 C.F.R. 395.1 (q). Any exceptions are documented in Attachment A.

Type, Location and Size of Facility: Type of facility (defined in Instructions for Form OHF-RSA-15): \_\_\_\_\_ Facility size: \_\_\_\_\_ (A general floor plan of the facility is documented in Attachment B). The types of articles to be sold and services to be offered are enumerated in Attachment C. The fixtures and equipment for this facility including the responsibility for the provision thereof, are set forth in Attachment D. The location, type and number of vending machines, which constitute part of this facility, are noted in Attachment E. The facility will operate \_\_\_\_\_ days of the week (except holidays observed by the Federal Government) from \_\_\_\_\_ A.M. to \_\_\_\_\_ P.M. commencing on \_\_\_\_\_.

Machine Income Sharing: The type and location of each vending machine located on this property and the specific income sharing provisions in 34 C.F.R. 395.32 applicable to each such machine will be indicated in Attachment F. Vending machine income will be disbursed to the SLA on at least a quarterly basis, or as otherwise agreed.

Other Terms and Conditions: Both parties must comply with 34 C.F.R. 395.35. Any additional terms and conditions applicable to this location are in Attachment G. This permit is issued for an indefinite period of time subject to suspension or termination for noncompliance by either party with any of the agreed upon terms and conditions of the permit. By mutual agreement the SLA and the FPMA may terminate the permit after providing 180 days written notice of the intended termination, including the reason for it and supporting documents to the other

party. Both parties must comply with all regulations issued in Title VI of the Civil Rights Act of 1964. The reason for denying the application must be sent in writing by the FPMA to the SLA.

Approving Property Official:

Approving Licensing Agency:

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Title Date

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Title Date



**ATTACHMENT A**  
**SATISFACTORY SITE LOCATION**

SATISFACTORY SITE: No exceptions

***ATTACHMENT B***

See floor plan attached.

**ATTACHMENT C**  
**TYPES OF ARTICLES SOLD AND SERVICED**

MENU ITEMS TO BE SOLD:

The design, construction, installation, and operation of vending facilities shall be in compliance with all applicable health, sanitation, safety, and building codes and ordinances.

**ATTACHMENT D  
LIST OF FIXTURES**

**ATTACHMENT E**  
**LOCATION OF VENDING MACHINES**

**AUTOMATIC VENDING MACHINES, AS FOLLOWS:**

## **ATTACHMENT F INCOME SHARING**

**ATTACHMENT G  
OTHER TERMS AND CONDITIONS**

Note: See Appendix B-3, Attachment G for Randolph-Sheppard Permit Performance Standards and other potential permit requirements.

## APPENDIX B-3

### Attachment G Other Terms and Conditions

#### Randolph-Sheppard Permit Performance Standards

##### The SLA shall ensure that vendors:

- Conduct themselves, at all times, both personally and in business, in a first-class, professional, and businesslike manner with integrity consistent with reputable business standards and practices, and that their behavior is also consistent with promoting a high reputation and positive image of GSA and the United States of America. The same shall be true of any SLA or vendor employee who may also work in the facility from time to time.
- Provide prompt, efficient, and courteous service to customers of the vending facility.
- Maintain the vending facility and all appurtenances in a clean and sanitary condition.
- Comply with all aspects and provisions of the 1999 or most current version of U. S. Food and Drug Administration (FDA) Food Code, as well as all state and local codes and regulations applicable to the type and size vending facility covered by this Permit.
- Comply with all Federal, State, and local fire and life-safety, accessibility, electric, and other codes governing occupancy of the premises in which the vending facility is located. Where there is a conflict in the requirements of any of these codes, the vendor shall comply with the most stringent requirement. Stringency shall be determined by that which assures the highest level of quality, occupant safety, and accessibility of the vending facility.
- Correct, within the time period required by GSA and/or the regulating authority, any state or local code or food code deficiencies identified during any inspections of the vending facility.
- Establish a complete quality control program to ensure that the requirements of the Permit are being met. The program shall be subject to GSA's review and approval.

In addition to the above, and as evidenced by increased sales, high customer satisfaction, a written system and strategies for handling customer complaints, and the results of various inspections, the SLA shall ensure that, during the term of this Permit, the vendor demonstrates his or her abilities to:

- Run a successful sales promotion and public relations campaign.



03/22/01

- Use quality merchandise.
- Analyze markets in which a facility would operate and determine appropriate foods and services to be offered (within the permit).
- Achieve excellent customer service and problem solving by managing inventories, e.g., tracking expiration dates, discarding old or damaged merchandise, etc.
- Delegate tasks and responsibilities to employees in keeping with their skills and abilities.

Also, as evidenced by inspection records confirming the implementation of a food safety system appropriate to the particular operation inspections, the SLA shall ensure that the vendor demonstrates his or her abilities to:

- Carry out safe food handling and storage requirement procedures in compliance with Federal (1999 or current FDA Food Code), state, and local health department regulations.
- Understand the link between personal hygiene and food borne illness.
- Properly label and store food products with the expiration date of the item clearly visible and to remove products that are beyond their expiration date.

### **Additional Permit Requirements**

- **Maintenance and Replacement of Vending Facility Equipment.** The SLA shall maintain all vending facility equipment in good repair and in an attractive condition and shall replace worn-out and obsolete equipment as required to ensure the continued successful operation of the facilities.
- **Application for Designation as an SLA.** The SLA shall take adequate steps to assure that each vendor understands the provisions of the Permit and any agreement under which he/she operates, as evidenced by his/her signed statement.
- **Building Pass and Security Clearance.** GSA shall have and exercise full and complete control over granting, denying, withholding, or terminating clearances for the vendor and the vendor's employees. The vendor shall ensure that all employees obtain a GSA/Contractor identification/building pass before the employee enters on duty.
- **Maintenance, Repairs and Replacement of Government Owned Equipment.** The SLA is responsible for the maintenance, repairs, replacement, and servicing of all Government owned equipment it uses at this location. The preventive maintenance should be in accordance with the manufacturer's suggested maintenance guide for each individual piece of equipment. The SLA will submit to the GSA Buildings Manager, and annual preventive maintenance schedule.
- **Liability.** The Government will not be responsible in any way for damage or loss occasioned by fire, theft, accident, or otherwise, to the vendor's stored supplies, materials or equipment or the employees' personal belongings.

## **APPENDIX B-4**

### **Randolph-Sheppard Checklist**

1. State Licensing Agency (SLA) must be given notice (certified letter) regarding possible vending site when facility will house 100 or more Federal employees or 15,000 square feet or more will be acquired for use by a federal agency. [34 CFR 395.31 (d)]. The five key elements that are included in the notice are as follows:
  - Address or delineated area of proposed location.
  - Tenant agencies and number of Federal employees to be served.
  - Amount of space to be occupied by tenants.
  - Office hours.
  - Estimated occupancy date.
2. GSA's Property Manager (PM) determines level of food service. If the SLA declines a site offered by GSA, the PM should receive a letter from the SLA formally declining the space. If the SLA is interested in the site, notify the Realty Specialist so that adequate space arrangements can be made for the vending site.
3. SLA is responsible for the purchase, installation, maintenance, repair, replacement, servicing and removal of vending facility equipment without charge to GSA.
4. If SLA requests the renovation of existing vending facilities, it is at their expense.
5. When GSA builds or substantially renovates space that meets the criteria for mandatory notification, the property manager must send "written notice" of the concessions opportunity to the SLA by certified or registered mail with return receipt. [34 CFR 395.31(c)-(d)].
6. If GSA is relocating or leasing a new location, ascertain whether or not this new location involves the relocation of tenants from any other existing site already served by a Randolph-Sheppard Vending facility. If the new site is leased and it is part of a multi-tenant building and "the lessor or any of his tenants" has established a food facility or has entered into a contract for the future operation of a food facility in space not included in the lease, then the mandatory notification requirement "shall not apply." [34 CFR 395.31(f)].
7. The SLA prepares and submits to GSA the application and permit [34 CFR 395.16]. GSA may and should assist in the preparation of the documents and ensure the inclusion of performance and customer service standards in the application and permit documents. When GSA executes the application and permit, the document becomes the approved permit. Information that is

included in the documents are:

- Type of facility.
- Amount of space.
- Hours of operation.
- Inclusion of seven attachments --Attachment A through G.

## SAMPLE REQUEST FOR PROPOSAL

### INTRODUCTION

The purpose of this guide is to assist the GSA Property Manager (PM) in drafting a Request for Proposal (RFP) for an essential and viable food service.

Contracting for food service requires extensive cooperation between the Contracting Officer (CO) and Property Manager (PM) personnel. PM should meet with the CO to determine what information is required to activate the process and bring it to a successful conclusion. Teamwork and good communication are essential to a positive outcome, and these skills should be emphasized during all phases of the process.

It is imperative that the CO and PM determine how complex the procurement process needs to be. When the Government's requirements are simple the procurement process should reflect the same conditions. The CO and PM shall exercise good judgement in defining the needs of the Government. The contract requirements should address the specific food service needs of specific building and the building occupants. The detail and complexity of the RFP should match the complexity of the food service required for that specific location. Remember that selected requirements may increase or reduce the cost, services, and administration responsibilities for the Government or contractor.

The CO and PM need to take care that this guide and its sample appendixes are not copied in its entirety. This is a tool to assist in the preparations of the food service feasibility study, RFP, models, and SSP. Select the requirements, options, factors that provide an effective and viable level of food service for a specific site. The CO and PM shall be consistent in the government's requirements as they are drafted into the RFP, models, and SSP.

In some cases the Government has detailed knowledge of what level of food service the market place can provide and in those cases the RFP may include such details. In other examples the Government may have little information of what level of service could be successful or viable and depend on offerors evaluating the opportunity to respond with a successful proposal. A simple procurement may consist of a proposal that request details on past performance, experience, and what food service the offeror may propose, including an oral presentation by the offerors. The RFP requirements, evaluation factors, and requested information from offerors should be consistent.

Guidance and other important information are noted in bold red print that is contained in a double line border. Also, optional requirements are noted in this same format and the PM must select what requirement meets his needs. The PM may select to use or not to use any of the requirements or factors, including those listed under options.

*Individual options and associated information are generally numbered and noted in italicized print.*

## **PART I - THE SCHEDULE**

### **SECTION A. SOLICITATION/CONTRACT FORM**

Insert the Solicitation/Contract Form.

## **SECTION B. SUPPLIES OR SERVICES AND PRICES**

1. **Description of services.** The contractor shall establish and operate a foodservice facility described herein for the purpose of dispensing food, nonalcoholic beverages and such other items as may be authorized by the contracting officer (CO) in accordance with the terms and conditions of this contract.

2. **Terms of contract.**

a. **Profit and administrative expenses.** The contractor shall maintain the menu price structure in such a manner so as to result in a combined net profit and administrative expenses of not to exceed 10% of gross sales minus sales taxes from the operation on an average annual basis over the full-term of the contract. Any **excess of allowable profit or administrative expense** shall be reflected in lower food cost to patrons.

(1) If the 10% combined net profit and administrative expense is exceeded at the expiration or termination of the contract, the excess shall be payable to the Government. It is the intent of this contract that profit be computed over the full term of the contract. The Government will impose no intermediate or short-term limit on the accumulation of profit by the contractor. However, the contractor shall take appropriate action to ensure any excess does not exceed the 10% by more than 50% over any one year period unless specifically allowed by the CO in writing.

(2) If less than 10% net profit and administrative expense accrues to the contractor or, that the contractor actually incurs a loss, the contractor shall absorb such deficit or loss and the Government shall not in any way be liable therefore.

The PM shall determine which of the 2 options is in the best interest of the Government. In making this decision the PM may choose to require no payment from the contractor and/or adding contract operational improvement responsibilities to Section C #5. Responsibilities of the Contractor, k. Contract Operational Improvements

b. **Payment to the Government.**

*Option 1. No payment to the Government is required.*

*Option 2. The contractor shall pay to the Government one and one half (1&1/2) percent of gross sales minus sales taxes.*

*(1) This payment shall be made monthly, in arrears; the first payment shall be made not later than thirty days after the end of the first month of operation. This payment to cover the first month's operation or fraction thereof, Payment shall be by check made payable to the General Services Administration, and mailed or delivered to:*

*General Services Administration*

*P. O. Box 85023  
Dallas, TX 75285*

*(2) The check shall be marked, "concessions check" identified with the contract number and the month for which the payment is being made. A copy of the check shall be forwarded to the program office. Accompanying the check shall be a brief statement indicating the net monthly sales, the month for which the payment is being made, and the contract number.*

*(3) Any monies due the Government upon the expiration of the contract must be paid in conjunction with the submission of the final monthly Profit/Loss Statement. The contractor is granted a period of ninety days from the date of the last day of operations under the contract to submit his final statement.*

**c. Contract period.** The specific beginning date is to be designated by the CO. The contract shall be for a period of 5 years effective with the beginning date specified in the Notice to Proceed. At the option of the CO, it may be extended thereafter for terms of from 1 to 5 years. In no event shall the contract period as extended, exceed a period of 15 years from the beginning date of the original contract.

(1) The CO shall give a written notice to the contractor at least 180 days before the contract, or any extensions thereof, would otherwise expire.

(2) Approximately \_\_\_\_\_ days after notice of award, the contractor shall organize the business, procure necessary equipment and have a complete organization ready to begin full operation as provided herein.

**d. Termination of contract.**

(1) Convenience. Either party may terminate this contract without cause, by first giving the other party 180 days written notice of its intention to do so.

(2) Default. The Government may terminate the contract if the contractor defaults or fails to comply with the requirements of the contract and the contractor's rights under the contract and the occupancy of the Government premises shall end. The Government may reenter the premises held by the contractor, without demand or notice and any notice to which the contractor would otherwise be entitled would be waived. The contractor shall be responsible for losses and damages to the Government resulting from the contractor's default or failure.

(4) At the time of termination of this contract, or extensions thereof, all Government-owned equipment shall be returned to the Government in good condition, ordinary wear and tear excepted.

(3) The contractor may remove or dispose of his equipment and property, subject to any Government liens on such equipment and property to satisfy any claims against the contractor which are not satisfied by his warranty.

**e. Modification of contract.** Modifications of the terms of the contract may be made by mutual agreement in writing between the parties. Any change, should result in equal benefit to both the Government and contractor.

**f. Adjustments.** In the event the contractor is not realizing a reasonable profit or is incurring a loss, adjustments may be negotiated to permit a reasonable profit. For the purpose of this provision, a net profit of 4-6% will be considered a reasonable profit.

**g. Accounting terms.** The definitions of accounting terms are as defined on the GSA Form 2817, Monthly (or 4 week) Profit/Loss Statement.



## **SECTION C. DESCRIPTION/SPECIFICATION**

The PM should provide the most accurate and accountable information possible in section C, 1 through 4 to enable the purposed contractors to provide the highest quality and level of service possible for our building tenants. Accurate information should be available from the recommended feasibility study for new and renewed contract requirements (Appendix A) and the Governments Model Performa.

**1. Scope of work.** The contractor shall establish and operate in the contractor's name, the food service facilities as shown in 2. below, for the purpose of dispensing food, nonalcoholic beverages, and other items as may be authorized by the CO, in accordance with all terms and conditions specified herein. This cafeteria is to be operated for the benefit of approximately \_\_\_\_\_ employees who will be occupants in the building.

**a. Building Location.**


**b. Building Population.**

Total day population
Total night population
Total building population

Special note: The Government shall not be held responsible for any variation from this employee population figure since the extent of occupancy is not guaranteed.

**2. Description of facilities.**

**a. Area and location in the building.**


**b. Seating Capacity.**


**c. Performance data (last 12 full months available).**

Patronage:	Breakfast		Check Avg	
	AM Break		Check Avg	
	Luncheon		Check Avg	
	PM Break		Check Avg	
	Other		Check Avg	
Total Sales				

### 3. **Tentative occupancy schedule.**


These dates and figures are estimates furnished as information only to guide the cafeteria contractor in establishing the operation.

### 4. **Hours of service.**

a. **Service schedule.** Cafeteria services will be provided 5 days per week, Monday through Friday (except holidays observed by the Federal Government), as follows:

Breakfast	a.m.	to	a.m.	
AM Break	a.m.	to	a.m.	
Luncheon	a.m.	to	p.m.	
PM Break	p.m.	to	p.m.	
Other	p.m.	to	p.m.	

b. **Modification to service schedule.** Any request for modifying the hours or days of service shall be submitted for approval of the CO. Service schedule may be adjusted and negotiated with the contractor by the CO as necessary to accommodate the requirements of the occupying agencies. Evening meals and/or service on Saturdays, luncheon meetings, and special functions, may be required periodically by the occupant agencies and shall be negotiated with the contractor by the CO.

5. **Responsibilities of the contractor.** The contractor shall provide prompt, efficient, and courteous service, and avoid undue interference with the operation of buildings in which services are provided. Licenses and permits shall be obtained as required by State and local authorities. and all applicable building, health, sanitary, and other regulations and laws shall be observed. The contractor shall employ sufficient and suitable personnel, secure and maintain insurance, maintain records, submit reports, and observe other contract requirements, all as more specifically set forth herein. The contractor shall pay each and every fee, cost, or other charge incident to or resulting from operations under the contract. This includes payments to the Government as required in these Special Contract Requirements. Reasonable care shall be exercised in the use of space and Government-owned equipment and, upon contract termination, the contractor will yield such space and equipment in as good condition as when received. This excludes ordinary wear and tear, and damage or destruction beyond the contractor's control and not due to the contractor's fault or negligence.

a. **Service.** The contractor shall operate and manage the cafeteria in the name as shown on the contract at the Federal building and any franchise right, sale, transfer, merge or deviation shall be brought to the attention of the CO and all terms negotiated.

The contractor will provide busing service to remove any remaining soiled dishes after patrons

have removed trays, dishes and utensils from tables. Dish carts or a conveyor belt will be strategically located in the dining area (as the case may be).

The Contractor will assure that tables and chairs are cleaned before each patron is seated.

The contractors will provide post consumer recycled paper napkins in GSA food service facilities. Recyclable cups/lids shall also be provided for individual carryout service for beverages where feasible.

In connection with the sale of refreshments for special occasions, the contractor will be required to furnish thermal jugs, containers for sugar and cream, paper napkins, paper cups, and plastic spoons.

b. **Menus.** It shall be the responsibility of the contractor to provide a variety of quality prepared foods that meet business and industry standards. The contractor shall comply with and support the 1990 and all subsequent revisions of U. S. Dietary Guidelines (i.e., offer foods low in total fat, saturated fat, cholesterol, sodium, and sugar; such as, lean meats, low-fat dairy products, vegetables, fruits, and grain products). The contractor shall use only vegetable oils low in saturated fats and in minimal amounts in their recipes; and in deep frying, pan frying, grill frying and baking. The quality and appearance of food on each operating day shall be consistent with approved food service industry standards for comparable "business and industry". The contractor shall give menu change notice to the patrons with easy-to-read menus with prices listed and prominently displayed. Menus shall be posted at or near the food service entrance as well as near the service points.

(1). Provide a detailed description of the menu cycle, and the complete menu including the featured specials, promotional events, merchandising practices, and market innovations that enhance their proposed menu.

(2). Summarize the number of daily items under each food category, such as the number of luncheon entrees, vegetables, salad bar items, desserts, beverages, soups, bread/rolls, breakfast items, sandwiches, specials, grill items, etc. Summarize the total number of different items in each category for the complete menu cycle. Provide a complete menu book.

The PM shall determine which option is in the best interest of the Government. (Option 1), If the food service is large, successful and must meet a complex market need, the PM should include a suggested menu structure and schedule (or sample of) to assure that a variety products are available. (Option 2), The contractor has discretion over what menu items are sold and what type of menu best promotes a successful Government operation.

*Option 1. The Contractor shall provide a variety of food in the cafeteria/food-court on each operating day and shall be consistent with approved food service industry standards for comparable "business and industry" cafeterias/food-courts.*

The PM may select to use a sample daily menu or shall insert the required minimum number in

the following matrix.

*Option 1 continued. The contractor shall provide the following minimum number of daily items under each food category:*

BREAKFAST:	LUNCHEON:	MISCELLANEOUS:
Meats	Entrees	Fruits
Eggs	Vegetables	Bread/rolls
Other items	Made-to-specials	Pastries
Sandwiches	Grilled Items	Desserts
Made-to-specials	Sandwiches	Beverages
	Salad bar items	
	Soups	
Self-Serve items	Self-Serve items	

*Option 2. The Contractor shall determine what product best suit the market opportunity and shall provide the information as shown in b. Menus above. This solicitation carries no minimum requirements for menu product offered and the contractor has the discretion to propose those menu items that will provide the most advantageous menu that will promote a successful Government foodservice operations for building tenants. The contractor has the responsibility to maintain his proposed menu subject to renegotiations.*

**c. Menu Price.** It shall be the responsibility of the contractor to provide products and service at market competitive rates or better as compared to area business and industry.

The PM shall determine which of 2 options is in the best interest of the Government.

*Option 1. The contractor shall submit complete price and portion books for their submitted menus. The menu, price and portions as submitted in the contractor's proposal shall be binding upon the contractor.*

*(1) Contractors may submit request for price adjustments using a percentage increase by menu category method. Any change in menu, price, or portion including additional items for sale shall be submitted for approval of the CO, via certified mail.*

*(2) This method of requesting a price increase is simple and direct; a minimum of documentation and/or justification is required by either the contractor or the CO. The contractor can identify a menu category (ies) which he had determined is (are) underpriced. The categories of menu items can be identified as entrees, vegetables, beverages, soups, desserts, etc. The identification could also be more specific as beef, frozen juice, dairy products, etc.*

*(3) The contractor simply requests blanket authority to increase a category (ies) by a specific percentage figure or specific amount he has determined to be necessary to maintain viable operation, including the realization of a reasonable profit.*

*(4) The CO shall respond to the request within twenty one (21) calendar days of the receipt of*

*all pertinent data or the change shall take effect automatically after the contractor completes the required procedures.*

*(Option 2) The contractor determines what prices best promotes a successful Government operation and has total discretion on pricing.*

**d. Equipment and utensils provided by the contractor.** The contractor shall provide all required equipment and utensils not provided by the Government under the provisions of Responsibilities of the Government, paragraph 6. The contractor shall maintain required quantities and replace such equipment and utensils when necessary because of loss, wear, breakage, or obsolescence.

(1) All items shall be of good quality, suitable for the purpose of its intended use, and consistent with the quality of the various items provided by the Government. All equipment furnished by the contractor shall be subject to approval of the Government.

The PM shall determine which option is in the best interest of the Government.
--

*(2) Option I. A physical inventory with item prices shall be made of all equipment provided by the contractor. An approved copy signed by the CO or his authorized representative shall be filed with the contract.*

*(2) Option 2. No physical inventory required..*

(3) The contractor shall provide all necessary food service equipment and utensils of the general character but not limited too, as listed below:

Equipment	See notes below:
Cash registers	(a)
Chinaware and dishes	(b)
Containers and cans, all types	
Dispensers, napkins	
Furniture, office	
Glassware	
Inserts, steam table and counters	
Machines, office and cash handling	
Menu boards, letters, price markers	
Dish machine racks, and storage	(c)
Safe	
Scales, food preparation	
Sharpeners	
Silverware	
Trash receptacles	(d)

Tray	(b)
Utensils and kitchenware	
Vehicles	(e)

(a) The contractor shall provide preset totalizer electronic cash registers which will perform the following functions: Data entry display, printing, audit control, storage of operating totals automatic tax, multiplication and other computations. The contractor shall provide a complete description, including catalog cuts and other descriptive literature, of the registers they propose to furnish. Any special utility provided by the Government, such as a dedicated electrical service line shall be noted in conjunction with the catalog cut sheets.

(b) It is incumbent upon the contractor to verify sizes and capabilities of Government furnished dish, bowl, and mug dispensing equipment and to provide chinaware of appropriate size and weight to suit equipment. Also note type of self-bussing equipment in use, and dining table top sizes for trays.

(c) Ascertain the type and quantity of Government-owned dish machine and storage racks provided in the facility with relationship to contractors mode of service.

(d) Trash receptacles shall be of hard non-toxic plastic material. Single service plastic liners shall be used in conjunction with these receptacles. All trash containers will be provided with self-closing swing-tops.

(e) The operational use and expense of a vehicle is authorized only when specifically approved in writing by the CO or as a requirement of the contract.

**e. Food quality.** The contractor shall serve tasty, appetizing, and quality food in accordance with industry standards. All foods served shall be free from adulteration and misbranding. Uncooked items, such as fresh fruits, shall be clean and free from blemish. All foods shall when served, be attractive in appearance and be crisp, moist, dry, tender, etc., as may be appropriate in each case.

**f. Sanitation.** The contractor shall through proper food storage and preparation, serve food under clean and sanitary conditions in accordance with the provisions and recommendations contained in the Food and Drug Administration's 1999 Food Code. All foods served shall be wholesome and free from spoilage and, safe for human consumption. All foods shall be held and served at the correct temperature.

(1) All employees assigned by the contractor to perform work under this cafeteria contract shall be physically able to do their assigned work and shall be free from communicable diseases. The contractor shall adhere to the Food and Drug Administration's 1999 Food Code and all local codes and regulations relating to food service sanitation.

(2) If vending machines are operated under the contract, they shall be constructed, maintained, and operated in accordance with the Food and Drug Administration's 1999 Food Code.

**g. Personnel and supervision.** The contractor shall employ sufficient personnel to maintain sanitary conditions and satisfactory service which will ensure prompt and efficient service. All employees shall be sober, conscientious, neat, and courteous. The contractor must at all times provide an adequate staff of food service employees to perform the varied and essential duties inherent to a successful food service operation.

(1) The contractor's employees shall wear a distinctive item of clothing such as a badge, cap, armband, blouse, or uniform as a means of identification during the time they are in the building. The contractor's employees shall wear proper uniforms, including hair nets and/or head covers during the time they are performing their duties in the building. Legible name plates identifying each employee shall be provided by the contractor and displayed as part of the uniform.

(2) The contractor's employees shall be required to change their clothing in the locker rooms provided for that purpose and to maintain the room in a neat and clean condition.

(3) Employees of the contractor shall be fully capable of performing the type of work for which they are employed.

(4) The contractor must provide adequate, trained relief personnel to substitute for the regular employees when they are absent in order that a high quality food service operation will be maintained at all times.

(5) The contractor shall require the employees to comply with such instructions pertaining to conduct and building regulations as are in effect for the control of persons in the building, or as may be issued for that purpose by Government representatives.

(6) The contractor is required to schedule an employee training program that will continue for the duration of this contract and any extensions thereof, to ensure that their employees perform their jobs with the highest standards of efficiency and sanitation.

(7) All articles found by the contractor, the contractor's agents or employees, or by patrons and given to the contractor, shall be turned in to the Buildings Manager's office as lost and found items.

The PM shall determine if the following option is necessary to meet a complete market need.
---

*(8) Option. The contractor shall employ a full time, onsite manager who possesses the necessary qualifications to supervise the cafeteria effectively, unless the contractor, as an individual, serves as a full-time manager. The contractor's manager will be delegated the authority integral to the day-to-day effective operation of the cafeteria relative to personnel supervision and training, menu planning, purchasing, cost control, sanitation, etc. The contractor's manager will be replaced, on 30 days notice, upon request of the CO for operational deficiencies determined to be a result of inferior direct management. For general oversight, a representative of the contractor, other than the manager, shall visit the facility periodically, as scheduled with the Government. In addition the contractor executive*

*representative shall visit the facilities to adjust matters requiring attention upon 48 hours advance notice from the Government.*

**h. Trash removal.**

The PM shall determine which of 2 options is in the best interest of the Government.

*Option 1. The contractor will contract for trash removal, as an operating expense at a frequency consistent with the volume of trash generated by the normal operation of the facility, and the adequacy of the space designed by the PM for the trash (dumpster, bin, etc.) container. The type of container service contracted will be in compliance with all Federal, State, and local environmental codes. Any exceptions to this provision must be directed in writing by the CO.*

*Option 2. The contractor will collect all trash associated with his operation and remove it to a designated trash (dumpster, bin, etc.) container as approved by the PM.*

**i. Contractor performed repairs.**

The PM shall determine which of 2 options is in the best interest of the Government.

*Option 1. The contractor shall adjust, repair, and continuously maintain in a satisfactory condition, all equipment and utensils used under the contract, regardless of whether provided by the Government or by the contractor. The contractor shall be responsible for the repair and the repair cost (material, parts, and labor) of each Government-owned equipment item not to exceed \$ \_\_\_\_\_ per repair. The contractor shall immediately perform these repairs whenever they are required and shall notify the PM when such work is being accomplished. However, repairs on cafeteria equipment covered by a warranty or guarantee agreement shall not be initiated without the prior approval of the CO, or PM. The contractor shall report any potential need of repairs where the cost of labor, parts and materials is expected to exceed \$ \_\_\_\_.*

*Option 2. The contractor has no repair requirements for Government-owned equipment.*

**j. Contractor performed maintenance.**

The PM shall determine which of 3 options is in the best interest of the Government.

*Option 1. The contractor is required to perform a preventive maintenance program on all Government-owned equipment in accordance with Appendix 10, Cafeteria Preventive Maintenance Guide.*

*Option 2. The contractor is required to perform a preventive maintenance program on all Government-owned equipment in accordance with the manufacturer's suggested maintenance guide or the Government's maintenance guide for each individual piece of equipment.*

(1) Within 30 days after receiving the required maintenance guides from the Government, the



contractor shall submit to the PM an annual preventive maintenance schedule. The PM shall review and approve the maintenance schedule. The contractor will forward to the PM within 30 days after each month, the preventive maintenance work that was actually performed and the dates that each job was accomplished.

(2) In the event the contractor does not have a maintenance department or qualified maintenance personnel, the contractor is required to contract with a qualified equipment maintenance source. Failure of the contractor to perform preventive maintenance on the equipment may result in the Government obtaining the services of a recognized maintenance company and billing the contractor for such services.

*Option 3. The contractor has no Preventive Maintenance requirements for Government owned equipment.*

**k. Contractor Operational Improvement.**

The PM shall determine if this option is in the best interest of the Government.

*Option. The contractor through his bookkeeping process shall set aside each month an amount equal to 1 ½% of gross sales minus sales tax for contract operational improvements. The contractor with the approval of the PM could use this resource to promote new market innovations in new technology, concepts and equipment, marketing and promotions, and other upgrades and service improvements. When enhancements are made the contractor would accomplish the work and pay the associated invoices through its normal accounts payable procedures and debit the amount from their accounts. The contractors profit and loss statement would indicate the accumulative amounts available for use and the amounts used. Should the contract be terminated with a positive balance, the CO will advise the contractor on how to disperse the accumulated total.*

Should the contract be terminated or expire with a positive balance shown on the P & L statement, funds equal to the amount may be used in termination restoration, (improvements, cleaning, and small wares) or the balance disbursed to Miscellaneous Receipts of the Treasury. It is advised that PM or the contractor not let this responsibility accumulate from year to year. This is not a Government account set up by the CO (GSA has no authority) or a separate bank account that the contractor would have to pay a bank maintenance or service fee.

**1. Cleaning and janitorial services.**

The PM shall determine which of 2 options is in the best interest of the Government.

*Option 1. The contractor agrees to furnish all labor, supplies, materials, equipment, and supervision sufficient to maintain the cafeteria kitchen, serving, and dining areas in a clean, orderly, and sanitary condition at all times.*

*Option 2. The contractor agrees to furnish all labor, supplies, materials, equipment, and*

*supervision sufficient to maintain the cafeteria kitchen and serving areas in a clean, orderly, and sanitary condition at all times.*

- (1) The contractor shall submit to the PM the brand name or manufacturer of any materials proposed for use in connection with the work of this contract, before beginning work. The PM may reject any material considered unsuitable for the purpose, or harmful to the surfaces to which it is applied.
- (2) Equipment used in the performance of the cleaning and janitorial services shall be of the type and of sufficient capacity to assure high quality work, and shall meet with the approval of the PM.
- (3) The food service contractor shall be responsible for the maintenance of the floors and may subcontract with a qualified commercial cleaning contractor to accomplish this work.
  - (a) Resilient tile floors are to be spray buffed weekly and thoroughly stripped and waxed every three months. Alternate floor maintenance systems which will achieve the same results may be substituted subject to the approval of the CO.
  - (b) Carpeted floors are to be vacuumed and spot cleaned daily and shampooed as required to maintain appearance and minimize wear and deterioration.
- (4) Cleaning and janitorial services shall be performed on a regular schedule and shall meet the highest standards of sanitation common to the food service industry. The following cleaning schedule is shown as a guide but does not limit the contractor responsibility to keep the area clean.

<b><u>Daily.</u></b>
Sweep and damp mop kitchen & serving area, including walk-in refrigerators.
As required, sweep, damp mop, & spray buff resilient tile & Vacuum carpet & spot clean.
Spot clean tile walls and posts in dining and kitchen areas.
Damp wipe all doors and door windows.
Clean rest rooms and locker rooms.
As required, empty trash and rubbish cans designated by PM.
Clean trash receptacles, trucks, carts, and dollies.
Clean dishwashers, coffee urns, beverage dispensers, counters, conveyor belts, etc.
Clean tray rails, and glass sneeze guards over serving line.
<b><u>Weekly.</u></b>
Clean chairs and table pedestals.
Steam clean mobile equipment.
Clean hoods exterior up to and including filters in kitchen.
Wash entire cafeteria receiving dock and trash room.
Spot clean carpet.

Spray wax and buff resilient floors.
Clean all portable fans.
<b><u>Quarterly.</u></b>
Strip and wax all resilient tile floors.
Shampoo carpet as required.
<b><u>Semi-annually.</u></b>
Perform high cleaning of pipes and louvers.
Clean the tile walls in kitchen and dining areas.
Wash venetian blinds, if any.
Clean all fans, and ventilators.

(5) Failure to keep any of the facilities in a clean condition may result in the withdrawal of the privilege of using such facilities or the CO may have the facility cleaned by other means and the cost of such work charged to the contractor.

**m. Security areas.** The contractor shall comply with the onsite building security plan and be responsible for security of all areas under the contract. Designated employees shall have the responsibility for determining that all equipment has been turned off, that windows are closed, lights and fans turned off, and doors locked when the cafeteria is closed. This should be a matter of a daily report to the Guard Office upon leaving the building. The PM shall have access to all areas under this contract 24 hours a day. The contractor shall make access available with keys marked for emergency use only, sealed in an envelope and maintained in the building security office.

**n. Hazardous conditions.** In addition to paragraph (f) of the Service Contract Act of 1965 (as amended), the contractor shall be responsible for the correction of unsanitary or hazardous conditions that are dangerous to anyone using the food facility. This shall include any employee, agent or representative of the contractor, Federal employee or other patrons of the food service facility and shall be applicable to any portion of the facility that is under the jurisdiction of the contractor.

**o. Liability.** The Government will not be responsible in any way for damage or loss occasioned by fire, theft, accident, power outage or otherwise to the contractor's stored supplies, materials or equipment, or the employees' personal belongings. Any personal injury or physical damage to the building or equipment resulting from fire or other causes shall be reported to the PM immediately.

**p. Fire and civil defense drills.** The contractor shall comply with the onsite-building plan and notify the fire department in the event of fire. All of the employees of the contractor shall be organized and trained to participate in fire and Civil Defense drills including the reporting of fires.

**q. Records & Reporting requirement.** The contractor shall maintain such accounting records in connection with operations under this contract as are satisfactory to the CO. The contractor

shall take all necessary precautions to assure that all income received from any source is immediately recorded through cash register sales tickets and that all expenditures are supported by appropriate vouchers.

(1) **Routine monthly (or four week) statements.** The contractor shall furnish copies of the monthly (or four week) profit and loss statement to the CO and the program office [name and address] within thirty (30) days after the end of the monthly (or four week) accounting period. The profit and loss statement shall be submitted on GSA Form 2817, monthly (or four week), Profit/Loss Statement **or a substantially similar report.** The CO or representative shall, as required and necessary, examine all phases of the financial operation of the cafeteria. The contractor shall take periodic physical inventories of all food stocks on hand at least once each quarter.

(2) **Contractor certification of end-of-fiscal year statement.** All cafeteria contractors shall certify their end-of-fiscal-year profit/loss statements for submission to the CO and the program office. The purpose of this requirement is to place greater emphasis on the contractor's responsibility to submit accurate and timely reports, while significantly reducing the need and frequency of administrative contract audits by agency personnel. The contractor is requested to provide annually the following information (non-certified) relating to patronage and sales:

Schedule	Time	Daily Patronage	Check Average
Breakfast			
A.M. Break			
Luncheon			
P.M. Break			
other (describe)			

(3) **Equipment records.** The contractor shall give the CO a signed receipt for the Government-owned equipment listed in Part III Section J. List of Documents, Exhibits, and Other Attachment. Throughout the contract period the contractor shall maintain current records of all equipment and utensils used in the contract operation, properly indicating thereon all additions, replacements and removals.

<p>The PM <u>should include the following requirement if option 1</u> was selected in section II, d. Equipment and utensils provided by the contractor.</p>
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*Option I. At the beginning of the contract period, the contractor shall submit to the CO a list of the equipment and utensils which the contractor will provide.*

r. **Operating expenses.**

(1) The contractor is permitted to incur the usual type of operating expenses for cafeteria services. Operating expenses are the actual net costs after deduction of trade discounts, cash discounts, rebates, etc., which accrue or which the contractor becomes obligated to pay because of operations under the contract. These expenses may include, but are not limited to:

(a) The cost of food sold.
(b) Salaries and wages.
(c) Janitorial services.
(d) Repairs and preventive maintenance to the Government and contractor owned equipment.
(e) Depreciation.
(f) Telephone service.
(g) Laundry.
(h) Postage.
(i) Insurance.
(j) Transportation of goods.
(k) Payment to the Government.
(l) Supplies and materials.
(m) Rentals of equipment (only when approved in writing by the Contracting Officer).
(n) Workman's compensation.
(o) Payroll taxes.
(p) Other taxes and licenses.
(q) Employee benefits.
(r) Cost of decorations, posters, advertising handouts, etc., promoting special occasions or holidays. All activities shall be confined to the interior of the building.

(2) The following are not allowable as operating expenses under the terms of the contract, but are to be recovered as part of the administrative expense:

(a) Payroll computations and disbursements of employee salaries.
(b) Wages and salaries of home-office employees and general administrative, executive, and management officials for general supervision of the contract.
(c) Accounting expenses, including costs of preparing financial reports.
(d) Supervision of facilities by contractor's home office personnel.
(e) Other wages and salaries to the extent that they exceed those normally paid for similar work in the locality, unless approved by the CO.
(f) Home Office management costs, such as general management overhead, transportation of management personnel, and any other indirect management costs, as related to this contract.
(g) Repairs necessary as the result of negligence of the contractor or his employees.
(h) Payment for forms and other supplies or stationery.
(i) Other expenses incurred without the approval of the Contracting officer.

**s. Depreciation.** The Contractor shall provide a depreciation schedule that is consistent with their proposal for contractor provided equipment, including small wares, for the CO approval. Upon the expiration or termination of this contract, the contractor agrees to offer for sale to the Government or a successor contractor, all small wares and equipment provided by the operator

under this contract for an amount equal to the salvage value plus any non-amortized costs. The Government shall not be liable for such costs in the event it decides not to exercise its option to purchase or arrange for purchase of the aforementioned small wares and equipment.

## **6. Responsibilities of the Government.**

**a. Contract to operate the facility.** The Government agrees to grant to the contractor the right to establish, manage and operate a cafeteria in the Federal Building to prepare and sell food, nonalcoholic beverages and such other products as the Government may authorize.

**b. Vending stands.** The Government reserves the right to permit the establishment of vending stands to be operated by the following State licensing agency under the Provisions of the Randolph-Sheppard Act (20 U.S.C. 107):

**c. Facilities.** The Government will provide kitchen, serving, and dining space, heating, ventilation and air conditioning and the utilities for operations under the contract as indicated. It will provide adequate ingress and egress, including a reasonable use of existing elevators, corridors, passageways, driveways, and loading platforms. It will as it deems necessary, provide:

(1) improvements and alterations to prepare or recondition assigned space for its intended purpose, including applicable sanitary requirements.

(2) maintenance and repair to building structure in cafeteria space, including painting and redecoration, the maintenance of gas, water, steam, sewer, and electrical lines, ventilation, electrical lighting fixtures (including relamping); floors and floor coverings, walls and ceilings. This excludes expenses of repairs necessary because of negligence on the part of the contractor or the contractor's employees.

(3) equipment as listed. The CO may expand, replace or reduce the equipment list, as the Government deems necessary. Subject to adequate maintenance and repair of equipment by the contractor (if required) the Government will replace component parts of, and make repairs to such equipment.

**d. Government-owned equipment.** The Government may furnish for the contractor's use, equipment of the character listed as follows:

Bar, back	Kettles, steam
Boosters	Lockers
Cabinets, fixed	Mixers, food, motor-driven
Can washing equipment	Ovens, all types
Carts, dish	Plates, hot
Cold food holding equipment	Rails, guide or tray
Condiment stands	Ranges
Conveyors	Refrigerators, all types and components
Display counters and equipment	Sinks
Dining room tables and chairs	Shelving, storage

Dish lowerators	Slicers
Dish washing machine	Steamers, all types
Dispensers, hot and cold drink	Surface fire suppression systems
Disposal(s), waste, or similar system	Tables, cook's, baker's, dish, kitchen
Grills	Toasters, all types
Fountains, water	Traps, grease
Freezers, all types	Urns, coffee Trucks, dish
Hoods Fryers, deep fat	
Hot food holding equipment	
Ice dispensers	
Ice maker/dispenser	

Other food service equipment that is constructed as part of the building and affixed to the structure.

## 7. **Rights and authority of the Government.**

**a. Approval.** At anytime, the Government shall have the right to send its representative into space assigned for contract use, for inspection or other purposes approved by the CO. All phases of the contract operations shall be subject to the review and approval of the CO, including the detailed provisions stated herein.

**b. Public space.**The Government reserves the right to use dining areas and other public spaces at other than serving periods, for meetings of Government employees or other assemblies. After each use the space will be cleaned and rearranged without expense to the contractor.

## 8. **Restrictions.**

**a. Equipment.** The contractor shall not remove, install, or operate any equipment not specified and permitted by the CO.

**b. Patronage.** The facilities is provided for the benefit and conveniences of Federal employees and patronage from other sources may be regulated by the Government.

**c. Weekends and Federal holidays.** No work shall be performed weekends or Federal holidays without prior approval of the PM.

**d. Facilities.** The contractor can only use this space for activities specified in the contract. The contractor may utilize centralized food preparation and storage sources located elsewhere.

## **Section D                    Packaging and Marking**

**1. Payment of postage and fees.** All postage and fees related to submitting information including, forms, reports, etc., to the Contracting Officer (CO) or the contracting officer's representative (COR) shall be paid by the contractor.

**2. Marking.** All information submitted to the CO or the COR shall clearly indicate the contract number of the contract for which the information is being submitted.



## Section E                      Inspection and Acceptance

1. **Government Inspection of Services** Services, as used in this contract, includes services, workmanship, and material furnished or utilized in the performance of services.

a. The contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.

b. The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.

c. If the contractor fails to provide services in compliance with the contract, the Government may by contract or otherwise, perform the services. The Government will charge to the contractor any cost incurred in performance of such service, or terminate the contract.

### 2. **Inspections.**

a. Facilities operated under the contract can be inspected periodically by representatives of the Government, including Federal, state and local health departments. The Contractor shall be advised of unsatisfactory conditions. Deficiencies shall be corrected and the results reported to the PM in a timely manner or written justification for an extension be made.

b. The Government shall have the right to send its representative into areas assigned for the operator's use, at anytime, for inspection or other purposes approved by the CO.

c. The contractor will be subject to a periodic, unannounced audit of the food service facilities by a representative of the CO. The audit shall specifically include a comprehensive review of:

(1) Service quality, attentiveness, courtesy, and similar factors.
(2) Food quality, presentation, merchandising.
(3) Sanitary practices and conditions.
(4) Personnel appearance.
(5) Training program techniques, schedules and records.
(6) Safety conditions.
(7) Menu compliance, as indicated in the minimum acceptable menu profile.
(8) Portion sizes submitted in the business plan.
(9) Cash Register tapes and sales records.

### 3. **Government personnel.**

a. **Contracting officer.** The CO (list the name and address \_\_\_\_\_),

has the overall responsibility for the administration of this contract. The CO alone, without delegation is authorized to take actions on behalf of the Government to amend, modify or deviate from the contract terms, conditions, requirements, specifications, details and/or delivery schedules. However, the CO may delegate certain other responsibilities to authorized representatives.

**b. Contract officer's representative.** The COR (list the name and address \_\_\_\_\_), is designated by the CO to assist in the discharge of the CO's responsibilities when the CO is unable to be directly in touch with the contract work. The responsibilities of the COR include, but are not limited to; determining the adequacy of performance by the contractor in accordance with the terms and conditions of this contract. The COR acting as the Government's representative in charge of work at the site shall ensure compliance with contract requirements and advise the CO of any factors which may cause delay in performance of the work.

**c. Contract inspectors.** Contract inspectors are subordinates of the COR and are responsible for the day-to-day inspection and monitoring of the contractor's work. Contract inspector responsibilities are (but not limited to), ensure compliance, conduct inspections, documentation and written inspection reports, assure that all defects or omissions are corrected, conferring with representatives of the contractor regarding any problems encountered, and generally assisting the COR.

SECTION F and SECTION G      OPEN

## SECTION H SPECIAL CONTRACT REQUIREMENTS

1. **Identification/building pass.** The contractor shall see that every new employee has a GSA/Contractor identification/building pass before the employee enters on duty. GSA personnel, designated by the COR, shall furnish and fill out these passes. The contractor and the COR shall sign each pass issued. All passes must contain an expiration date. The contractor shall see that all employees carry their passes with them during duty hours and show them upon request. The COR or other GSA personnel designated by him shall periodically verify passes of contractor employees with their personal identification.

a. The use of photo-identification badges will be at the option of the Government. The contractor shall make his employees available for photo-identification badges, on a schedule to be worked out with the COR.

b. The Government will make the badges after a favorable security report has been received on the contractor employees. GSA personnel will take the pictures and furnish the equipment and material to make the identification badges. Contractor employees shall sign each badge at the time of photographing.

c. The contractor shall see that all badges are returned to the COR when employees are dismissed or terminated. The contractor will notify the COR when employee badges are lost.

d. It will be the responsibility of the contractor to pay for replacement badges,

2. **Security clearance requirements (nonclassified contract).** The contractor will submit to the COR at least five work days before the starting date of contract, one completed Form FD-258, "Fingerprinting Chart" and one GSA Form 176, "Statement of Personal History" for all contract employees who have access to the building in performance of the contract work. These forms will be submitted for replacement employees before entrance on duty. The Government will furnish necessary forms. If the CO receives an unsuitable report on any employee after processing, or if the COR finds a prospective employee to be unsuitable or unfit for his assigned duties, the contractor shall be advised immediately that such employee cannot continue to work or be assigned to work under the contract.

a. All contract employees are required to be cleared every three years. For employees cleared through this process while employed by the previous contractor in the same building, the new contractor shall only be required to submit another set of these forms if the employee has not been cleared within the last three years, or if required by the COR.

b. The Government shall have and exercise full and complete control over granting, denying, withholding or terminating clearances for employees. The Government may, as it deems appropriate, authorize and grant temporary clearance to employees of the contractor. However, the granting of a temporary clearance to any such employee shall not be considered that full clearance will follow. The granting of either temporary or full clearance shall in no way prevent, preclude or bar the withdrawal or termination of any such clearance by the Government.

## PART II, CONTRACT CLAUSES

### SECTION I CONTRACT CLAUSES

The PM shall determine if the following requirement is necessary based on market conditions.

#### **1. FAR 52-228-1 Bid Guarantee (APR 1984).**

Required when applicable under Uniform Contract Format (UCF). Not applicable to commercial items, though may be allowable under tailoring provisions of FAR 52.214-4.

*Optional. Offerors shall furnish a bid guarantee in a penal amount not to exceed \$5,000.00. Failure to furnish a bid guarantee in the proper form and amount, by the time set for opening of bids, may be cause for rejection of the bid.*

*a. The offeror (bidder) shall furnish a bid guarantee in the form of a firm commitment, such as a bid bond, postal money order, certified check, cashier's check, irrevocable letter of credit, or, under Treasury Department regulations, certain bonds or notes of the United States. The CO will return bid guarantees, other than bid bonds, to unsuccessful bidders as soon as practicable after the opening of bids, and to the successful bidder upon execution of contractual documents and bonds (including any necessary coinsurance or reinsurance agreements), as required by the bid as accepted.*

*b. If the successful bidder, upon acceptance of its bid by the Government within the period specified for acceptance, fails to execute all contractual documents or give a bond(s) as required by the solicitation within the time specified, the CO may terminate the contract.*

*c. Unless otherwise specified in the bid, the bidder will allow 60 days for acceptance of its bid and give bond within 10 days after receipt of the forms by the bidder.*

#### **2. GSAR 552.228-75 Workmen's Compensation Laws (APR 1985).**

Required when applicable under UCF. Allowable under commercial items and is included under GSAR 552.212-71 (applicable when checked under this clause).

The Act of June 25, 1936, 49 Stat. 1938 (40 U.S.C. 290) authorized the constituted authority of the several States to apply their workmen's compensation laws to all lands and premises owned or held by the United States.

#### **3. FAR 52-228-5 Insurance - Work on a Government Installation (APR 1 1984).**

Required when applicable under UCF. Not applicable under commercial items, though may be allowable under tailoring provisions of FAR 52.212-4.

The contractor shall, at its own expense, provide and maintain during the entire performance period of this contract at least the kinds and minimum amounts of insurance required in the Schedule or elsewhere in the contract.

*a. The contractor shall certify in writing and show evidence to the CO that the required insurance has been obtained before commencing work under this contract. Any cancellation or material change adversely affecting the Government's interest shall not be effective for such period as*

prescribed by State laws, or until 30 days after the insurer of the contractor gives written notice to the CO, whichever period is longer.

b. The contractor shall insert the substance of this clause, including this paragraph (b), in subcontracts under this contract that requires work on a Government installation and shall require subcontractors to provide and maintain the insurance required in the Schedule or elsewhere in the contract.

At least 5 days before entry of each such subcontractor's personnel on the Government installation, the contractor shall furnish (or ensure that there has been furnished) to the CO a current certificate of insurance, meeting the requirements of paragraph (a) above, for each such subcontractor.

#### **4. GSAR 552.237-71 Qualification of Employees (APR 1984).**

Required when applicable under UCF. Allowable under commercial items and is included in GSAR 552.212-71 (applicable when checked).

The CO may require dismissal from the work of employees that he deems incompetent, careless, insubordinate, unsuitable or otherwise objectionable, or whose continued employment he deems contrary to the public interest or inconsistent with the best interests of national security. The contractor shall fill out and cause each of his employees on the contract work to fill out, for submission to the Government, such forms as may be necessary for security or other reasons. Upon request of the CO, he and his employees shall be fingerprinted. Each employee of the contractor shall be a citizen of the United States of America, or a lawfully admitted alien.

#### **5. Statement of wage rates and fringe benefits.**

The SCA appears to apply to NAF contracts over \$2,500, under both commercial items and UCF.

The Service-Contract Act, as amended, requires the contracting agency to state the comparable rates which employees would be paid if employed by the Government, (Reference paragraph (k)(2) of GSA Form 2166). **These rates are for information only, and do not control the rates to be paid under the contract.** The following classes of service employees expected to be employed under the contract would, if employed by the GSA, be paid not less than the following:

##### **a. % of Basic Hourly Rate Employee Class, Hourly Monetary Wage as Fringe Benefits**

Retirement	24.7%
Health Insurance	3.5%
Life Insurance	.5%

##### **b. Sick Leave Provided By Law:**

13 days of sick leave per year

##### **c. Paid Holidays Provided By Law:**

New Years	Independence
Washington's	Memorial
Martin Luther Kings Birthday	Columbus
Veterans,	Thanksgiving

Labor	Christmas Day
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**d. Vacations or Paid Leave as Provided By Law:**

2 hrs. of annual leave ea. wk. for an employee with 3 yrs. or less of service.

3 hrs. of annual leave ea. wk. for an employee with 3 to 15 yrs. of service.

4 hrs. of annual leave ea. wk. for an employee with 15 or more yrs. of service.

**6. Wage determination.** Offerors are advised that the various classes of service employees who will be employed in the performance of the contract awarded under this solicitation must be paid the minimum monetary wage and shall be furnished fringe benefits shown on the attached Wage Determination No. \_\_\_\_\_. This determination was issued under the provisions the McNamara-O'Hara Service Contract Act (79 Stat.-1034), and in accordance with Part 4.3 of 29 CFR Part 4.

**7. CONTRACT CLAUSES AND FORMS.** Insert the GSA Form 3504, Service Contract Clauses (11-86), in this section. The CO is responsible for modifying the GSA Form as necessary to ensure compliance with changes to the Federal Acquisition Regulation (FAR) and the General Services Administration Acquisition Regulation (GSAR).

**8. SERVICE CONTRACT ACT of 1965.** Insert GSA Form 2166, Service Contract Act of 1965 (as amended) (4-84). Also insert the applicable wage determination issued by the Department of Labor.

**PART III LIST OF DOCUMENTS, EXHIBITS,  
AND OTHER ATTACHMENTS**

**SECTION J - LIST OF DOCUMENTS, EXHIBITS, AND OTHER  
ATTACHMENTS**



## **PART IV - REPRESENTATIONS AND INSTRUCTIONS**

### **SECTION K - REPRESENTATIONS, CERTIFICATIONS, OTHER STATEMENTS OF OFFERORS**

**Note to Contracting officer:**

Insert the **GSA** Forms 3503, Representations and Certifications in this section.

## SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

Based on the determination made by the PM for the previous sections, parts of this section should be expanded or deleted as necessary to reflect the requirement of the contract.

1. **Bid guarantee requirement**A bid guarantee is required in an amount not to exceed \$5,000.00, (See clause 52.228-1 Bid Guarantee and GSAR 552-228-71 Bid Guarantee in Part II, Section I.)

2. **Insurance requirement**Liability insurance coverage, written on the comprehensive form of policy, is required in the amount of \$500,000 per occurrence for bodily injury and \$50,000 per occurrence for property damage. (See clause 52.228-5 Insurance - Work on a Government Installation in Part II, Section I.)

The PM may determine that an oral presentation is in the best interest of the Government in addition to written proposal. All additional data made to the written proposal should be reflected in the office notes of the presentation.

*Optional: The Government may require an oral presentation of the total operating plan, including the proposed menu and cycle, pricing policies, proposed staffing, sanitation, budget and start up plan, and should include backup data as it relates to the proposal, and its realistic projection of sales, cost, and profit.*

3. **Instructions on submitting proposals.** Offerors shall submit an original and two copies of the proposal, prepared in such format and detail as to enable the Government to make a thorough evaluation thereof and to arrive at a sound determination as to whether or not the offeror can meet the Government's requirements. Your proposal package shall be sealed in an envelope and should be affixed with the small tag (optional Form 17). All envelopes shall clearly identify your firm name and address.

4. **Contents of the proposal.** Each proposal should be divided into two parts and be sufficiently complete and organized to ensure that evaluation can be made on the basis of its content. It is important that the proposal be organized as specified since the GSA scoring sheet used in the evaluation will parallel the specified order. Both parts, properly identified, may be in the same binder or loose-leaf cover.

a. **Part I General Information.** The general information portion of the submission should contain:

(1) **The offeror's signed SF-33, GSA Forms 3503 and 527.**

(2) **Financial qualifications of offerors.** Each offeror submitting a proposal on the work required by this contract is requested to submit with their offer evidence of their financial responsibility and capacity to carry out the terms of the contract. This information should be submitted on GSA Form 527, Contractor's Qualifications and Financial Information.

b. **Part II - Specific Information.** Each offeror submitting a proposal on the work required by this contract is requested to provide the following information in full detail:

As stated in the introduction, this document is a general guide to assist the GSA Property Manager in the drafting of an RFP for an essential and viable food service. The contract requirements should address the specific food service needs of a select building (s) and it occupants needs. The detail and complexity of the solicitation should match the complexity of the food service required for that specific location.

After contract requirements have been determined, the PM must select the appropriate factors that the Government plans to evaluate and what type of information is required for the Government to determine the best offeror. Evaluation factors should reflect the contract requirements. The PM should select only those factors and specific information that is required for the draft RFP.

(1) **Past Performance.** List the name and address of a minimum of one government agency or two private sector accounts that reflect the conditions as stated in this solicitation, under recent (within one year) and/or existing contract operations. List the name and title of the client contact, telephone number, opening date, building population, patronage, annual dollar value, and type of contractual arrangements; i.e., management fee, profit and loss, fixed price or other.

(2) **Experience.** In addition to general background information, state experience in operating similar facilities, contract, and financial arrangements. State available regional and home office experience and operations in the geographical area that would enhance operations.

(3) **Resources.** Provide your organization charts showing the chain of command of supervision and staff that will supplement your unit management. Provide background and qualifications of the on-site manager type to be assigned to the operation if you are awarded the contract and a brief resume on the key managers listed in the chain of command. Provide policies and procedures relative to employee and management training program and indicate resources for providing backup.

(4) **Menu cycle and variety.** State the length of your menu cycle and how often it changes throughout the year. Provide the complete menu cycle that you will implement, showing selling prices. Include your policy for featured specials, promotional events and merchandising practices. Summarize the number of daily items under each food category, such as number of luncheon entrees, vegetables, salads, desserts, beverages, soups, bread and rolls, breakfast items, sandwiches, specials, grill items, etc. Summarize the total number of different items in each category for the complete menu cycle.

(5) **Sanitation.** Include standards, operating requirements, sanitation training programs, inspection procedures, frequency schedules, and management reports. The contractor should state which services and yearly cost projections for subcontract cleaning.

**(6) Preventive maintenance.** State the preventive maintenance practices that demonstrate the adequacy of the preventive maintenance program and practices as proposed in guidelines and schedules. Provide a description of the preventive maintenance program you will employ in complying with the terms of this contract.

**(7) Controls.** Describe accounting systems and procedures to include information required in the RFP. Include sample of management reports and other control checks with planned frequency schedules. Assure accounting system provides information on sales, meal counts, check averages, and cost per meal data. Demonstrate that internal audits are conducted on operational controls, financial statistics, methods, procedures, and systems. Assure the adequacy of control checks, reports, and frequent reporting schedules; and provide sample reports and schedules.

**(8) Menu portion, prices and standard unit of measurement price.** State your pricing policies and procedures for establishing portion sizes and prices. Provide a complete menu price and portion book. Include each standard unit of measurement price.

**(9) Staffing.** Provide a comprehensive and detailed color-coded daily staffing chart for the operation of this facility. Complete the attached Sample Staffing Guide, Appendix C - 2b. Provide your organization charts showing the chain of command of supervision and staff that will supplement your unit management. Indicate any subcontracting of functions such as cleaning or maintenance services.

**(10) Innovations.** Detail the proposed program of capital development and or facility improvement (operations or innovative concepts) over the life of the contract, commencing within the first year. State the amount, location, and specific function of proposed programs, including conceptual drawings, and approximate time lines for design and construction, and/or the operational or foodservice concept that will improve the service equal to the commercial market place. Include an amortization schedule demonstrating how the alteration costs will be recovered while product prices remain competitive in the market.

**(11) Budget (pro forma)** Provide a projected annual operating budget (profit and loss statement) with a written explanation of how each line was developed, including the estimated customer participation, check averages and sales for each meal period. Include the cost of all subcontracting. Complete the attached profit and loss or Pro-forma Budget Guide, Appendix C-2a. Your pro forma should be based on the number of business days projected by the Federal Government for a given year.

## SECTION M - EVALUATION FACTORS FOR AWARD

**1. Evaluation factors for award.** The Government will make award to the responsible offeror whose offer conforms to the solicitation and presents the best value to the Government unless the SLA for the blind submits an offer that is determined to be in the final competitive range. If the SLA is in the final competitive range, it will be awarded the contract in accordance with the Randolph-Sheppard Act.

The PM may determine that an oral presentation is in the **best interest** of the Government in addition to written proposal. All additional data made to the written proposal should be reflected in the office notes of the presentation.

*Optional: The Government may require an oral presentation of the total operating plan, including the proposed menu and cycle, pricing policies, proposed staffing, sanitation, budget and start up plan, and should include backup data as it relates to the proposal, and its realistic projection of sales, cost, and profit.*

Again, the PM must select the appropriate evaluation factors that the Government plans to consider. The PM should select from the following factors and list them in accordance with the importance assigned to each. It is recommended that the factors Past Performance and Experience each be 150% times as important to the Government in the evaluation as any other single category.

The relative importance of each Factor should be stated in this section and the Factors prioritized and listed in order.

**a. Past Performance.** The Government considers the past performance of the offeror in providing comparable food services.

The offeror has successfully performed for accounts with:

- recent (i.e., within the past 3 years) profit-&-loss (as opposed to management fee) contracts.
- at least a comparable (within \_\_%) of the patronage and volume.
- at least a comparable (within \_\_%) building population, seating capacity and food service square feet.
- comparable types (cafeteria/café/snackbar) and levels of service (full service/limited onsite).

The offeror fulfills its financial obligations and contractual commitments on a timely basis.

The survey report indicates satisfaction with:

- quality of food.
- menu variety, merchandising, and service level.
- value provided to patrons.
- maintenance of unit (and preventive maintenance).
- resolving complaints, suggestions and follow-ups.
- from unit, district and corporate management.

**b. Experience.** The Government considers the experience of the offeror in providing comparable food services.

The offeror has successfully performed for accounts with:

- at least five years of experience in the food service industry with a sales volume sufficient to establish operational credibility for this contract.
- at least three years of experience in facilities similar to the size, scope complexity and projected sales volume of the subject building involving point of service marketing and state of the art equipment.
- at least three years of experience in profit and loss operations under similar financial arrangements.

The offeror has demonstrated that the company can handle the additional sales volume generated by the proposed contract as far as its home office support and management team are concerned.

**c. Resources.** The Government considers the resources of the offeror's organization, including management level staffing, training and proposed unit backup support in providing comparable food services.

The offeror presents the firm's organizational chart, which clearly reveals sufficient, prompt and active management and staffing support as well as backup support.

The proposal demonstrates that the offeror is organized to manage the contract, including:

- a district or other management office in close proximity; if not, the proposal explains how management resources will be utilized to support the contract.
- home office support, services and controls.
- other operations in geographical area.
- emergency resources that can be utilized.
- schedules for unit analyses, visitations, audits with adequate frequency.

Proposed district and regional managers are trained and have 5 years' experience in comparable type operations (patronage, volume, & square feet as specified above). The following conditions are met or the offeror explains how resources would be made available:

- time to properly supervise this facility.
- proper corporate organization to manage this contract.
- organizational structure to provide prompt supervision and staffing.
- division or appropriate organizational entity to handle this type of facility.

The offeror has demonstrated that the company can manage the additional sales volume generated by this contract.

The proposed unit manager:

- has been successful in previous operations.
- is trained and experienced for comparable operations.
- was trained as a manager by the offeror.
- is familiar with company procedures.

**d. Menu Cycle and Variety.** The Government considers the provision of a complete menu cycle, variety and daily patterns.

The offeror provides a complete menu cycle indicating the cycle length and changes throughout the year.

The daily menu offerings:

- have high, medium, and low cost variety.
- include seasonal menu items.
- avoid repetition and monotony.
- offer more popular items frequently.
- compare favorably with accepted current practice in industry.

The offeror's menu descriptions:

- contain and describe promotional and merchandising programs.
- add variety, stimulate interest, and attract new customers.

Sample menu offerings include variety of color, texture, flavor, shape, and appropriate garnish.

The offeror's menu has taken into consideration:

- the facility size, type, and patronage.
- available cooking and serving equipment.
- energy conservation.

**e. Sanitation.** The Government considers sanitation that demonstrates conformance with food service standards.

The offeror demonstrates its understanding of the requirements by submitting a complete internal sanitation program.

Proposed cleaning and sanitation services are explained and are reflected in the budget.

The sanitation program is comprehensive and includes all phases of the operating requirements with follow-up inspections and management reports.

The offeror details a complete sanitation training program; with refresher courses, and follow-up on-the-job training.

**f. Preventive Maintenance.** The Government considers preventive maintenance practices that demonstrate the adequacy of the preventive maintenance program and practices as proposed in guidelines and schedules.

The offeror includes a complete Preventive Maintenance program that demonstrates understanding of its responsibilities under the contract. The program is comprehensive and contains frequencies and type of maintenance proposed.

This factor should match the option selected in the RFP; option 1, standard level of maintenance as noted in the Cafeteria Preventive Maintenance Guide, Appendix C-10; option 2, as complex as the suggested manufacturer's guide, or option 3, no maintenance requirement.

**g. Controls.** The Government considers the accounting systems provided by the contractor and effective management data which produces information on sales, meal counts, check averages, etc.

The accounting system provides the information required in the RFP.

The accounting system provides effective management data, sales, meal counts, check averages, and cost per meal.

The offeror demonstrates the frequency of internal audits conducted on operational controls, financial statistics, methods, procedures and system.

The offeror has adequate control checks, reports, and frequent reporting schedules for unit analysis and audits; and provides sample reports and schedules.

**h. Menu portion, prices, and standard unit of measurement.** The Government considers the offeror's menu price and portion, and standard unit of measurement price, and how it reflects service level requirements.

The price and portion book is complete and lists menu portion, price, and standard unit of measurement price.

The overall pricing and portioning structure reflects service level needs and is advantageous to the government.

Each category of the Menu Portion and Pricing comparison is consistent with service level requirements.

The proposal contains a description of policies on procurement procedures, discounts, inventory controls and quality assurance.

**i. Staffing patterns and schedules.** The Government considers the staffing levels and pattern as required by the facility's layout, menu, patronage, and sales. Also considered is the daily and weekly man-hour coverage for functions.



The color-coded staffing chart and the weekly staffing schedule are completed and include adequate backup data. Chart includes summary of hours (including breaks and lunch periods), staffing positions, and functional responsibilities.

The staffing chart provides man-hour coverage for the required function of:

- management and supervision.
- preparation, set-up, service, and utility.
- cleaning and sanitation.
- sales.

The staffing pattern reflects the needs and requirements of:

- the facility layout, and menu variety.
- the patronage level and sales volume.

The staffing chart indicates that:

- salaries are in accordance with operation.
- wage scales conform to the wage determination in the RFP.

**j. Innovations.** The Government considers the offeror's proposed program of capital development and or facility improvement (operations or innovative concepts) over the life of the contract, commencing within the first year.

The amount, location, and specific function of proposed programs, including conceptual drawings, and approximate time lines for design and construction, and/or the operational or foodservice concept that will improve the service equal to the commercial market place.

Operational or concept plans and/or cost estimates and funding plan demonstrate how alterations are proposed to be expensed, and when the proposals will be scheduled for completion.

An amortization schedule demonstrating how the alteration costs will be recovered while product prices remain competitive in the market. Consideration will be given to proposals demonstrating inventive funding and accelerated amortization.

A statement of compatibility of any proposed alterations with PM and tenant agency.

A detailed itemization in the pro-forma budget reflecting the expense and amortization of any proposed alterations

**k. Budget (pro forma).** The Government considers the proposed total operating budget and backup data as it relates to the proposal, and its realistic projection of sales, cost, and profit.

Projected annual operating budget is complete and accurate. The pro forma is realistic and reflects contract requirements in the projection of:

- sales, (patronage, menu price, check average, and operating days)
- food costs (menu, menu price, and sales).

- labor, (staffing, management, supervision, preparation, utility, service, cleaning, sanitation, sales, and wage determination).
- operating expenses (including repair and PM, paper, and subcontracts).
- payment in lieu of rent.
- administration and profit.
- innovations, if any, proposed in 7.j., above.

Budget contains line by line explanation of how each line item was derived.

Projected budget contains entries related to the cost and conditions:

- of innovations discussed in other parts of proposal.
- in each section of the proposal.
- of seasonal and holiday fluctuations.
- local competition.

Pro forma compares favorably with Government model and percentages for costs are in line with industry standards.

## Appendix C-2a SAMPLE, MODEL PRO-FORMA GUIDE

Proposed Facility
Date
Revised Date

### PRO-FORMA (PROFIT AND LOSS) MODEL

TOTAL YEAR	TOTAL YEAR	TOTAL YEAR	TOTAL YEAR	TOTAL YEAR	TOTAL YEAR	TOTAL YEAR
	FOOD COST	LABOR COST	MISC. COSTS	GOV'T INCOME	ADMINIST. COST	PROFIT
(\$ ) SALES	\$	\$	\$	\$	\$	\$
(%) SALES	%	%	%	%	%	%

### SALES VOLUME PRO FORMA STATEMENT

DAY	(SEE #1)	(SEE #1)	(SEE #1)	(SEE #1)	(SEE #1)	(SEE #2)
SHIFT MEAL	#'S BLDG. OCCUPANTS	(%) PATRON.	(#) PATRON.	CHECK \$ AVERAGE	TOTAL \$ SALES	PER YEAR \$ SALES
BREAKFAST						
AM BREAK						
LUNCH						
PM BREAK						
<b>TOTAL</b>						

Notes:       #1 This figure is a 12 months average.  
              #2 The year is a 251 operation day/year.

## Appendix C-2b SAMPLE, MODEL STAFFING GUIDE

Proposed Facility
Date
Revised Date

### STAFFING

POSITIONS	# PER DAY	HOURS PER DAY	(SEE #1) HOURS PER YEAR	(SEE #2)(\$) WAGE RATE	(%) BENEFITS	(\$) PER YEAR TOTAL
<b>Super./Cook II</b>						
Cook II						
Cook II						
<b>Bakers</b>						
<b>Grill Cook</b>						
<b>Prepar/Server</b>						
<b>Utility</b>						
<b>Dishwashing</b>						
<b>Cashier</b>						
Sub-Total						

MANAGERS	#	YEAR RATE (\$)	BENEFIT (%)	
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Unit Director						
Manager						
<b>Asst. Manager</b>						

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NOTES:    **#1** This figure includes vacation hours  
               **#2** This U.S. Department of Labor, dated.

## APPENDIX C-3

### Direct Negotiations with State Licensing Agencies

The purpose of this guide is to assist the PM in direct negotiations with the State Licensing Agency SLA process.

#### Direct Negotiations with the State Licensing Agencies (SLA):

1. The PM may recommend that the CO enter into direct negotiation with the SLA for the operation of a cafeteria. Before the PM determines to recommend direct negotiations with the SLA, the PM should review the reputation of the State in the operation of comparable food services and their success in this level and type of service delivery.

Direct negotiations with the State Licensing Agency (SLA) under the Randolph-Sheppard Act are **optional**. This is not a requirement of the law, but included as an option.

GSA gives priority to blind vendors as required by the Randolph-Sheppard Act for food service procured by contracts in the award process. This process as detailed in the Act allows the PM to give priority in a competitive procurement when the State Licensing agency submits a proposal that is determined to be in the competitive range. See Appendix C-4, Sample Food Service Source Selection Plan, 7. Competitive Range.

**2. Methodology and Process:** If the PM plans to enter into direct negotiation with the SLA the following recommended process is used.

**a. Development of the Procurement.** The CO and the PM, should complete the Sample RFP, Appendix C-1; the Sample Model Government Pro-forma and Staffing Guide, Appendix C-2a & b; and the Sample SSP Plan, Appendix C-4.

**b. Notice to SLA.** Initiate the Governments intentions to enter into direct negotiation with a letter addressed to the head of the SLA. The PM should use the Sample Letter, Notice to SLA, Figures C-3a, and include the Sample RFP, Appendix C-1. After acknowledgment of receipt of the initial GSA offer by the head of the SLA, and if so directed in writing by this official, the region may continue in the negotiations.

**3. Evaluate Proposal.** The CO and the PM shall evaluate the SLA's proposal as proposed in the Sample SSP Plan, Appendix C-4.

A proposal that essentially offers to deliver services by subcontract must be rejected since it is not within the intent of the Act

- (1) If the CO determines the SLA has satisfactorily demonstrated its ability to provide the services specified, the contract shall be awarded to the SLA.
- (2) Negotiations must be concluded within the time limit specified in the Notice to the SLA (see Figures C-3a). Strict adherence to the time limit is necessary to ensure adequate lead-time for a competitive procurement in the event negotiations with the SLA are unsuccessful.
- (3) Negotiations will be terminated at the end of the established time limit, or at such time as the CO determines that a satisfactory contract cannot be awarded. Written notification of termination of negotiations will be made to the SLA.
- (4) The SLA does not have the right to appeal a CO's decision regarding rejection of a proposal in response to an offer of direct negotiation.
- (5) The SLA may request a debriefing from the CO or the CO's designated representative.

Should the direct negotiation be unsuccessful, the CO will ensure that the SLA receives a pre-solicitation notification for the ensuing competitive procurement.

**Figure C-3a**  
**SAMPLE LETTER**  
**NOTICE TO SLA**

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**DATE:**

**Address: TO SLA**

Dear \_\_\_\_\_

In accordance with the regulations implementing the Randolph - Sheppard Act, 34 CFR 395.33(d), the General Services Administration (GSA) invites the [insert state identification] State Licensing Agency (SLA) for the blind to submit a proposal for cafeteria services for the Federal Building, [insert address of building].

The Federal Building is occupied by approximately \_\_\_\_\_ employees. The cafeteria, [insert location in building] is approximately \_\_\_\_\_ square feet with a seating capacity of \_\_\_\_\_. Hours of cafeteria operation will be \_\_\_\_\_ AM to \_\_\_\_\_ PM.

The operation of the cafeteria will be by contractual agreement, not by a permit. This will be a standard contract as if offered to a commercial firm, and a solicitation is enclosed for your use in submitting a proposal. The SLA will not be required to post a bid bond or a performance bond.

This solicitation requires the SLA to pay the Government a percentage of the net annual sales, payable on a monthly basis. In return for this payment, the Government will provide the space, lighting, heating and air conditioning, major equipment and major equipment repairs. In addition, the operator is limited to 10% combined profit and administrative expense. A wage determination from the Department of Labor will specify minimum wages to be paid to cafeteria service employees. The wage determination applicable to our present contract at the Federal Building is included in the sample contract. The Department of Labor will periodically adjust this wage determination throughout the term of the contract.

If you wish to view the premises during the preparation of your submission, and we believe it would be in your interest to do so, please contact: **(insert name)**, Director of Facilities, Federal Building, **(insert address)**, telephone number **(insert)**.

Figure C-3a

**Figure C-3a**  
**SAMPLE LETTER**  
**NOTICE TO SLA (CON'T)**

A letter acknowledging contractual commitment signed by the head of the SLA or delegated representative must be included with your proposal.

Your proposal must be postmarked 30 days from the date on the RETURN RECEIPT indicating your receipt of this offer of direct negotiation. If we do not receive a written response to this solicitation within the specified time, we will assume a lack of interest by the SLA and consider the negotiations closed.

A request for an extension of time for proposal submittal will not be considered a valid response. The consideration of any extension request will be at the sole discretion of the CO.

If you decide the SLA is not interested in offering a proposal at this time, a response to that effect would be appreciated. It is our intent to conclude these negotiations within 90 days from the date of your receipt of this letter. Our existing contract for food service at the Federal Building expires on **(insert date)** and we must avoid any break in service. A copy of your response to this offer of direct negotiation should be provided to the Secretary of Education in accordance with 34 CFR 395.31(c).

It is the policy of GSA to award a cafeteria contract to an SLA that has satisfactorily demonstrated its capability to operate the facility offered. It should; therefore, be noted that an award to an SLA which would result in the facility being actively operated and managed by other than a licensed blind vendor (that is, by subcontract) is not acceptable and will be summarily rejected by the CO.

If you have any other questions, please call **(insert name)** at telephone number **(insert)**.

Sincerely,

Name of Contracting Officer  
Contracting Officer

Enclosure

**Figure C-3a**



## FOOD SERVICE ACQUISITION PLAN INTRODUCTION

The purpose of this sample guide is to assist the Property Manager (PM) and Contracting Officer (CO) in the preparation of a Food Service Acquisition Plan (Plan) for a food service procurement. The intended use of this material is to guide. The CO determines what options and information from the guide are in the best interest of the Government. A sample Plan format and schedule are shown in Figure C-4a and Figure C-4b.

The CO should draft a letter establishing the Source Selection Evaluation Board (SSEB) as shown in Figure C-4c, Sample Letter Establishing SSEB.

### Special notes:

Guidance and other important information are noted in bold red print that is contained in a double line border. Also, optional requirements are noted in this same format and the PM must select those requirements that meet his needs. The PM may select to use or not to use any of the requirements or factors, including those listed under options.

*Individual options and associated information are generally numbered and noted in italicized print.*

In this guide the reference to Property Manager (PM) means the individual charged with that responsibility including the Concessions Officer, Concessions Specialist, or Buildings Manager or his/her delegated representative.

The CO and PM need to take care that this guide and its sample appendixes are not copied in its entirety but used as a tool to assist them in the preparation of the required documents; feasibility study, RFP, models, and Plan, needed to procure this food service. Both should select to use the requirements, options, factors, that provide the level of food service that is effective and viable.

The CO and PM shall coordinate and draft the Government's requirements consistently throughout the RFP, models, and Plan.

**1. Summary of Acquisition Strategy.** The Plan should state the Governments' acquisition strategy.

Example: The government's objective is to competitively negotiate a contract with the responsible and best qualified offeror to establish and operate the food service in a new or existing facility as described in the RFP. The operation of the facility shall be conducted as a profit and loss account with no liability to the Government and with not more than an average 10 percent combined annual profit and general administrative expense.

**2.Suggested Evaluation Factors and their Standard.** The Plan should list in detail the evaluation factors. The following are examples of evaluation factors. The factors and the complete

standards against which proposals will be evaluated are shown in Sample Evaluation Factors, Appendix C-5. It is not intended that the CO or PM use the entire list of factors and the final Plan should use only the necessary factors that ensures a successful contract.

The CO and PM shall coordinate and draft the Government's requirements consistent throughout the RFP, models, and Food Service Acquisition Plan.

It is important for evaluators to remember that proposals are evaluated independently against the standards and not against each other.

- a. Past Performance
- b. Experience
- c. Resources
- d. Menu Cycle and Variety
- e. Sanitation
- f. Preventive Maintenance
- g. Controls
- h. Menu portion, prices, and standard unit of measurement price
- i. Staffing patterns and schedules
- j. Innovations
- k. Budget(pro forma)

**3. Relative Order of Importance of Evaluation Factors.** As noted in the RFP, the Plan must list all of the evaluation factors in descending order of importance and state their relative importance. The following are examples of technical evaluation factors and weights for a food service WP. **The source selection plan's criteria must be in full conformance with the evaluation criteria provided in the RFP.**

The CO and PM shall determine which factors and weights are in the best interest of the Government.

The CO and PM must take care to tailor evaluation factors to each procurement. Evaluating the same factor under duplicate descriptions must be avoided. For example, Past Performance measures how well an offeror has performed and Experience measures what an offeror has done. Each must be separate factors.

Food service procurements require that no factors are to be given more weight than Past Performance and Experience, and that they must always be included as factors.

In some cases the Government has detail knowledge of what level of food service the market place can provide and in those cases the RFP may include such details. In other examples the Government may have little information of what level of service could be successful or viable and depend on offerors evaluating the opportunity to respond with a successful proposal. A simple procurement may consist of a proposal that request details on past performance,

experience, and what food service the offer may propose, and may include an oral presentation by the offerors. The RFP requirements, evaluation factors, and requested information from offerors should be consistent.

**EXAMPLE 1:**

<i>Evaluation Factors</i>	<i>Weight</i>
<i>a. Past Performance</i>	<i>20%</i>
<i>b. Experience</i>	<i>15%</i>
<i>c. Resources</i>	<i>10%</i>
<i>d. Management Plan (Budget, Staffing and Controls)</i>	<i>25%</i>
<i>e. Menu Cycle and Variety</i>	<i>10%</i>
<i>f. Sanitation and Preventive Maintenance</i>	<i>10%</i>
<i>g. Menu, Portion, Prices, and Standard Units of Measurement</i>	<i>10%</i>
<i>Total</i>	<i>100%</i>

**EXAMPLE 2:**

*Sanitation and Preventive Maintenance* (go/no-go basis)

<i>Evaluation Factors</i>	<i>Weight</i>
<i>a. Past Performance</i>	<i>15%</i>
<i>b. Experience</i>	<i>15%</i>
<i>c. Resources</i>	<i>5%</i>
<i>d. Management Plan (Staffing, Budget and Controls)</i>	<i>20%</i>
<i>e. Menu, Portion, Prices and Standard Units</i>	<i>25%</i>
<i>f. Menu Cycle and Variety</i>	<i>20%</i>
<i>Total</i>	<i>100%</i>

*In this example, the factor "Sanitation and Preventive Maintenance" is evaluated on a "go, no-go" basis. To be considered further in the evaluation process, an offeror must achieve an acceptable rating against the criteria for this requirement as established in the standard and Source Selection Plan; failure to do so will result in its elimination from consideration for award. If any "go, no-go" factor is used, it must be clearly stated and identified to prospective offerors in the RFP.*

**EXAMPLE 3:**

<i>Evaluation Factors</i>	<i>Weight</i>
<i>a. Past Performance</i>	<i>25%</i>
<i>b. Experience</i>	<i>25%</i>
<i>c. Management Plan, (all other factors i.e. Staffing, Menu Cycle and Variety, Budget and Controls) considered in an</i>	



<i>Oral presentation</i>	<i>50%</i>
<i>Total</i>	<i>100%</i>

#### **4. Evaluation System Process, Methodology and Techniques.**

a. Adjectival Rating. All evaluation factors are assigned adjectival ratings and points. The basis of award will list the evaluation factors and state their relative order of importance. Adjectives and points will be assigned to each proposal based on a pre-established rating system. A variation on this concept is adjectival rating with "go, no-go" factor(s). "Go, no-go" factor(s) must be sufficiently critical in performance of the contract that an offeror's failure to meet the standard is cause for rejection of the proposal. Sanitation and public health criteria would be examples of sufficiently critical aspects of a food service contract to warrant being made "go, no-go" factors.

b. Scoring System. The scoring system to be used is an adjectival method. Scoring on each evaluator's score sheet shall be expressed in a narrative rationale supporting the points assigned to each factor. For ease of scoring and setting standard values for the Source Selection Evaluation Board (SSEB), a numerical/adjectival combined rating matrix will be used on each score sheet. A sample is shown below:

<b><u>Adjectival Rating</u></b>	<b><u>Numerical Rating</u></b>	<b><u>Score Description</u></b>
<b>Excellent</b>	<b>9-10</b>	Significantly exceeds evaluation standard No deficiencies or significant weaknesses Very low risk of unsuccessful contract performance
<b>Very Good.</b>	<b>7-8</b>	Meets and to some extent exceeds evaluation standard No deficiencies or significant weaknesses Low risk of unsuccessful contract performance
<b>Acceptable</b>	<b>5-6</b>	Meets evaluation standard No deficiencies Significant weaknesses are readily correctable Moderate risk of unsuccessful contract performance
<b>Marginal</b>	<b>3-4</b>	Does not fully meet the evaluation standard Deficiencies and/or significant weaknesses which may be correctable, High risk of unacceptable contract performance
<b>Unacceptable</b>	<b>0-2</b>	Fails to meet evaluation standard Major deficiencies and/or significant weaknesses not readily correctable, Unacceptably high risk of unacceptable contract performance Informational deficiencies so numerous that corrections would require major rewriting of proposal

**5. Evaluation Procedures.** Each member of the evaluation panel will be required to sign a Certificate of Nondisclosure (Figure C-4d) and Statement of Conflict of Interest (Figure C-4e) and a Procurement Integrity Certification (Figure C-4f).

a. Evaluation. Each evaluator will evaluate proposals independently and will make no marks on proposals. Sample Scoring Sheets (Appendix C-8a through C-8i) and scoring recap sheets (Figure C-4g) will be provided for each evaluator to ensure that all elements of the evaluation are completed and to record the results of the evaluation. The evaluation sheets will form the basis of the narrative report to be submitted to the CO and the SSA as an official part of the contract record. This report is called the consensus report and is incorporated into the initial board report, which is submitted by the chairman of the SSEB and furnished to the CO and SSA and maintained as a permanent record in the contract file.

b. Identifying Strengths and Weaknesses. Evaluators must identify in writing the strengths and weaknesses of the proposal for each factor. This is essential and shall be included in the initial individual evaluations and the evaluation report to the CO. Care must be taken to ensure that scores accurately reflect the evaluators' assessment of the capability of each offeror regarding each evaluation factor as measured against the model and standards applicable to the procurement. Should the evaluator find ambiguous language or not understand the meaning, the evaluator should identify the problem in writing to the CO.

Definition: "Weakness" means a flaw in the proposal that increases the risk of unsuccessful contract performance. A "significant weakness" in the proposal is a flaw that appreciable increases the risk of unsuccessful contract performance.

c. Deficiencies and Unacceptable Proposals. Evaluators identifying deficiencies must cite the specific government requirement which the proposal fails to meet. A determination of unacceptability must be based on minimum requirements that are clearly and definitely stated in the RFP.

Definition: "Deficiency" is a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level.

The evaluator will provide:

- (1) A score and a narrative supporting the rating Each identified deficiency, weakness, and/or significant weakness.
- (2) An explanation as to which "minimum requirements" were not met, discussed in terms of the standards.
- (3) An opinion with supporting rationale whether the deficiency can be remedied by the offeror.



(4) An opinion with supporting rationale whether remedying the deficiency would entail substantial revision of the proposal as to constitute virtually an entirely new technical proposal.

d. Consensus. Each evaluator shall first independently evaluate all the technical aspects of each proposal. After the individual evaluators have separately evaluated the proposals, including preparation of their narrative explanations, the panel shall meet and formulate its collective conclusions under the leadership of the chairperson (Figure C-4h, Scoring Summary guide). Significant variations in evaluators' scores or assessments of technical merit will be discussed and discrepancies resolved or fully explained in the record. The score assigned to each technical proposal is assigned by a consensus of the evaluators.

**6. Elements of the Evaluation Process.** When proposals contain unclear or ambiguous provisions, evaluators will not contact any offerors to obtain clarification. Requests for clarifications should be forwarded to the CO by the chairperson for communication to the offerors concerned.

**7. Competitive Range.** If there is no single offer that clearly exceeds all others and merits direct award, the panel shall recommend a competitive range to the CO, who establishes the competitive range.

a. Consideration. The competitive range shall include all the most highly rated proposals. If it is determined that a proposal cannot be made acceptable, even if discussions were conducted with the offeror, the proposal may no longer be considered.

The award shall be made to the State Licensing Agency for the blind should they submit an offer that is determined to be in the competitive range.

**8. Report and Recommendations.** Report recommendations to the SSA or CO indicating the evaluation in each rating category of those offerors considered. The initial board report shall be signed by the chairperson and panel members and include the following:

- a. If determined, a recommendation to award without negotiations.
- b. A description of the procurement.
- c. The number of firms solicited and the offers received.
- d. A listing of the offerors considered not to be in the competitive range or unacceptable, and the reasons therefore.
- e. The names of the firms recommended for inclusion in the competitive range.
- f. A complete listing of the strengths and weaknesses of the competitively ranked firms relative to the RFP criteria and all deficiencies.



In exceptional cases, where the panel is unable to reach agreement without unreasonably delaying the procurement process, the evaluation report shall include the majority conclusion and the dissenting view(s), each with a supporting rationale.

**9. Award without Negotiation.** The CO may determine that award may be made on the basis of initial proposals without conducting negotiations and requesting best and final offers.

Any time an award without discussions or negotiations is contemplated, the RFP must specifically advise offerors that the government reserves the right to make an award on the basis of proposals submitted, without discussion or negotiation.

**10. Negotiations.** Offerors who are not included in the competitive range are notified immediately. The CO shall conduct discussions with all offerors within the competitive range.

**11. Best and Final Offers.** Upon completion of discussions, the CO shall issue a request for final proposal revisions. In instances where a second round of best and finals becomes necessary see Figure C-4i, Re-scoring Best and Final Offers.

**12. Selection.** Following evaluation of the best and final offers, the CO shall select the offeror whose proposal represents the best value to the Government, consistent with the evaluation factors established in the solicitation.

**13. Disclosure of Information.** GSA personnel shall reveal no information concerning the evaluation to anyone who is not participating in the evaluation proceedings. Any officer or employee of the United States is prohibited from disclosing certain kinds of business, confidential, or trade secret information unless authorized by law. Participants in source selection proceedings must execute the documents shown as Appendix C-7, 8, and 9.

**14. Announcement Responsibility.** Promptly after making an award, the CO shall give written notice to the unsuccessful offerors that their proposals were not accepted. The CO will arrange for a debriefing offeror who requests one. Prior to the debriefing, the CO should request the offeror to submit questions in writing. This will afford the CO an opportunity to consult with the evaluators and technical advisors in preparation for the debriefing. The debriefing shall cover only the offeror's proposal and how it compared to the evaluation criteria, not how it compared to other offers.

**15. Appendixes.**

- |   |                   |
|---|-------------------|
| a. Sample, Request for Proposal, RFP                        | Appendix C-1      |
| b. Sample, Model Government Pro-forma budget & Staffing     | Appendix C-2a & b |
| c. Direct Negotiation with the State License Administration | Appendix C-3      |
| d. Food Service Acquisition Plan                            | Appendix C-4      |
| e. Sample Evaluation Factors                                | Appendix C-5      |
| f. Sample Scoring Sheets                                    | Appendix C-8a-1   |
| g. Sample letter prospective offeror                        | Appendix C-9      |
| h. Cafeteria Preventive Maintenance Guide                   | Appendix C-10     |

- i. How to Use the Monthly Profit & Loss Statement
- j. Customer Satisfaction Surveys

Appendix C-11  
Appendix C-12

**16. Sample Letters and Forms as Attached.**

- |    |  |             |
|----|--|-------------|
| a. | Sample Format for Food Service Acquisition | Figure C-4a |
| b. | Plan Schedule of Food Service Acquisition  | Figure C-4b |
| c. | Sample Letter establishing SSEB            | Figure C-4c |
| d. | Sample certificate of non-disclosure       | Figure C-4d |
| e. | Sample statement of conflict of interest   | Figure C-4e |
| f. | Sample procurement integrity certification | Figure C-4f |
| g. | SSEM scoring recap sheet                   | Figure C-4g |
| h. | SSEB scoring summary                       | Figure C-4h |
| i. | Re-scoring of best and final offers        | Figure C-4i |

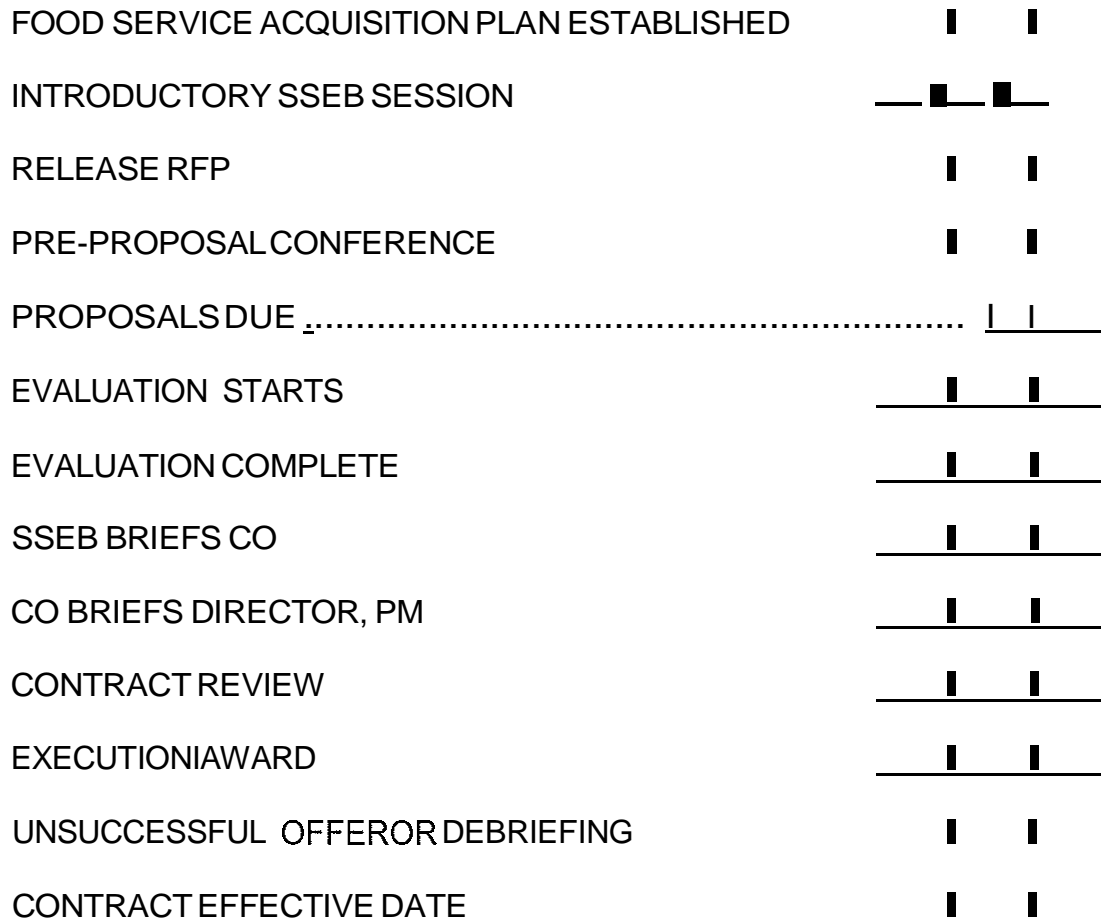
**Figure C-4a**  
**SAMPLE FORMAT**  
**FOOD SERVICE ACQUISITION PLAN**

Food Service Acquisition of \_\_\_\_\_

1. Description of property or service to be acquired.
2. A description of organizational structure including:
  - (a) The duties of the SSA and the SSEB; and,
  - (b) Nominations for staffing of the SSEB by individual name and field of expertise.
3. Proposed pre-solicitation activities.
4. A summary of the acquisition strategy.
5. A statement of the proposed evaluation factors and their relative importance.
6. A description of the evaluation process, methodology, and techniques to be used, including evaluation standards.
7. A schedule of significant milestone events such as:
  - (a) Food Service Acquisition Plan Approved by SSA
  - (b) Release RFP
  - (c) Proposals Due - Evaluation Starts
  - (d) Evaluation Complete
  - e) SSEB Briefs SSA
  - (f) SSA Decision
  - (g) Contract Review
  - (h) Execution/Award

**Figure C-4a**

Figure C-4b  
SCHEDULE for  
FOOD SERVICE ACQUISITION PLAN



PREPARED BY:

SSEB CHAIRMAN      (DATE)	CONTRACTING OFFICER      (DATE)
---------------------------	---------------------------------

Figure C-4b

**Figure C-4c**

**LETTER ESTABLISHING SOURCE SELECTION EVALUATION BOARDS (SSEB)**

MEMORANDUM FOR (Board Chairperson)

FROM: (Source Selection Authority)

SOURCE SELECTION EVALUATION BOARD FOR \_\_\_\_\_  
(Title of SSEB)

I hereby designate the following individuals to serve as members of the Source Selection  
Evaluation Board for \_\_\_\_\_  
(Title of RFP)

Chairperson: \_\_\_\_\_  
Name, Functional Title, Organizational Assignment

(Repeat as necessary)

Other Members: \_\_\_\_\_  
Name, Functional Title, Organizational Assignment

Secretary:  
(Nonvoting) \_\_\_\_\_  
Name, Functional Title, Organizational Assignment

Legal Member:  
(Nonvoting) \_\_\_\_\_  
Name, Functional Title, Organizational Assignment

**The Chairperson is responsible for ensuring that board members are familiar with the cited publications, especially those relating to conflict of interest and nondisclosure of information. Board duties take precedence over other duties of the board members.**

\_\_\_\_\_  
Date Source Selection Authority

\_\_\_\_\_  
Date Director, Real Property Management  
and Safety Division

**Figure C-4c**

### Figure C-4d

#### **SAMPLE CERTIFICATE OF NON-DISCLOSURE**

MEMORANDUM FOR:

FROM:

SUBJECT: Unauthorized Disclosure of Procurement Information

The proper custody, use, and preservation of official information related to procurements (validation, evaluation, selection proceedings, negotiations, etc.) cannot be overemphasized. It is essential that personnel associated with procurement actions as an activity representative strictly comply with the applicable provisions of the law, including but not limited to U.S.C. Title 18, Sec. 1905, which provides:

"Whoever, being an officer or employee of the United States or of any department or agency thereof, or agent of the Department of Justice as defined in the Antitrust Civil Process Act (15 U.S.C. 1311\*-1314), publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information coming to him in the course of his employment or official duties or by reason of any examination or investigation made by, or return, report or record made to or filed with, such department or agency or officer or employee thereof, which information concerns or relates to the trade secrets, processes, operations, style of work or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm partnership corporation, or association; or permits any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; shall be fined not more than \$1,000, or imprisoned not more than one year, or both, and shall be removed from the office of employment."

Activity representatives shall not reveal any information to anyone who is not also participating in the same proceedings, and then only to the extent that such information is required in connection with such proceeding. Such information is classified "FOR OFFICIAL USE ONLY." The dissemination of information in this category to other parties will be at the sole discretion of the CO. Vendors' proposals, identity of offerors, source selection evaluation board documents, and similar materials will be handled and discussed on a need-to-know basis only. Under no circumstances may proposals, the source selection plan with the methodology for use in evaluation and selecting property/services, or source selection evaluation board reports, be divulged without the authorization of the CO.

Any unauthorized disclosures contrary to the foregoing provisions may result in appropriate disciplinary action such as the penalties set forth above (U.S.C. Title 18, Sec. 1905), or such statutory provision as may be deemed appropriate. To ensure awareness of the above, please sign and date one copy of this memo.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### Figure C-4d

Figure C-4e  
**SAMPLE STATEMENT OF CONFLICT OF INTEREST**

NAME \_\_\_\_\_

Date \_\_\_\_\_ of \_\_\_\_\_ Appointment: \_\_\_\_\_

Appointed by: \_\_\_\_\_

STATEMENT OF CONFLICT OF INTEREST

I have read and understand the requirements of:

GSA Standards of Conduct. (Part 105-735 of the General Services Administration Property Management Regulations (GSPMR), ADP 7900.9, and GSAR 503.101-3(a)).

To the best of my knowledge, neither I nor any member of my family have any direct financial or employment interest in any of the firms submitting proposals for consideration and evaluation, which conflicts substantially or appears to conflict substantially, with my duties as a member of the Source Selection Evaluation Board.

In the event that I later become aware of such conflict of interest, I agree to disqualify myself and report this fact to the Chairperson of the board and to abide by any instructions which he/she may give me in this matter.

\_\_\_\_\_  
Date Signature

Date of Termination: \_\_\_\_\_

Debriefing by: \_\_\_\_\_

Figure C-4e

**Figure C-4f**  
**SAMPLE PROCUREMENT INTEGRITY CERTIFICATION**

- (1) I, \_\_\_\_\_ (Name of Certifier) am the officer or employee responsible for the preparation of this offer and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certification, I have no information concerning a violation or possible violation of subsection 27(a), (b), (d), or (f) of the Office of Federal Procurement Policy Act, as amended\* (41 U.S.C. 423), (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement, Solicitation No. \_\_\_\_\_
- (2) As required by subsection 27(e)(1)(B) of the ACT, I further certify that to the best of my knowledge and belief, each officer, employee, agent, representative, and consultant of \_\_\_\_\_ who has participated personally and substantially in the preparation or submission of this offer has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.
- (3) **Violations or possible violations:** (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity (Continuation Sheet) ENTER "NONE" IF NONE EXISTS

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- (4) I agree that, if awarded a contract under this solicitation, the certifications required by subsection 27(e)(1)(b) of the Act shall be maintained in accordance with paragraph (f) of this provision.

\_\_\_\_\_  
(Signature of the officer or employee  
responsible for the offer and date)

\_\_\_\_\_  
(Typed name of the offeror or employee  
responsible for the offer)

\*Subsection 27(a), (b), and (d) are effective on December 1, 1990. Subsection 27 (f) is effective on June 1, 1991.

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

**Figure C-4f**



**SCORING RECAP SHEET**

SSEM: \_\_\_\_\_

DATE: \_\_\_\_\_

COMPANY	FACTORS:									TOTAL WEIGHTED SCORE
	Reputation	Experience	Resources	Menu Cycle & Variety	Sanitation & PM	Controls	Menu, Portion Price	Staffing	Budget	
Score										
Weight	x15	x15	x10	x10	x10	x10	x10	x10	x10	
Total										
Score										
Weight	x15	x15	x10	x10	x10	x10	x10	x10	x10	
Total										
Score										
Weight	x15	x15	x10	x10	x10	x10	x10	x10	x10	
Total										
Score										
Weight	x15	x15	x10	x10	x10	x10	x10	x10	x10	
Total										
Score										
Weight	x15	x15	x10	x10	x10	x10	x10	x10	x10	
Total										
Score										
Weight	x15	x15	x10	x10	x10	x10	x10	x10	x10	
Total										

Figure C-4g

**SSEB SCORING SUMMARY**

Company	SSEM	FACTORS									
		Reputa- tion	Experi- ence	Resour- ces	Menu Cycle	Sanita - tion	Controls	Price	Staffing	Budget	Total Score
Consensus Score (Sum of Total Score Divided by Number)											
Consensus Score (Sum of Total Score Divided by Number)											
Consensus Score (Sum of Total Score Divided by Number)											
Consensus Score (Sum of Total Score Divided by Number)											

Figure C-4h

**Figure C-4i**  
**RESCORING OF BEST AND FINAL OFFERS**

DATE: \_\_\_\_\_

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_

EVALUATION FACTOR:

ORIGINAL SCORE: \_\_\_\_\_ REVISED SCORE: \_\_\_\_\_

EXPLANATION OR RATIONALE FOR REVISION:

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EXPLANATION FOR NOT REVISING SCORE:

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**Figure C-4i**

## **FOOD SERVICE ACQUISITION PLAN TABLE OF CONTENTS**

<b>INTRODUCTION</b>	<b>1</b>
1. Summary of Acquisition Strategy.	1
2. Suggested Evaluation Factors and their Standard.	1
3. Relative Order of Importance of Evaluation Factors.	2
4. Evaluation System Process, Methodology and Techniques.	4
• a. Total Points System.	4
• b. Scoring System.	4
5. Evaluation Procedures.	5
• a. Evaluation.	5
• b. Identifying Strengths and Weaknesses.	5
• c. Deficiencies and Unacceptable Proposals.	5
• d. Consensus.	6
6. Elements of the Evaluation Process.	6
7. Competitive Range.	6
• a. Consideration.	6
8. Report Recommendations.	6
9. Award without Negotiation.	7
10. Negotiations.	7
11. Best and Final Offers.	7
12. Selection	7
13. Disclosure of Information.	7
14. Announcement Responsibility.	7
15. Appendixes.	7
16. Sample Letters and Forms as Attached.	8

## Appendix C-5 Sample Evaluation Factors

**Evaluation Factors and their Standard.** The following are examples of evaluation factors and the standards against which proposals will be evaluated.

It is important for evaluators to remember that proposals are evaluated independently against the standards and not against each other.

The selected factors should match the options as selected in the RFP. Many of the following factor will not apply to a specific contract because of the selected option in the RFP.

### a. **Past Performance.**

Description: This factor considers the reputation in providing food services as indicated by the program office survey of services submitted in the offeror's proposal. The survey (**See Onsite/Telephone Food Service Survey, Figure C-5a**) is conducted with clients of the offeror and sanitation inspection reports.

Standard for Evaluation: As shown in the Government survey report the standard is met when:

The offeror has successfully performed for:

- recent contracts (i.e., within the past 3 years)
- comparably size units (patronage, volume, & square feet)
- comparable types and levels of service
- profit and loss contracts

An account is comparable when:

- It is a profit-and-loss account (as opposed to management fee or other type)
- Serves a similar number of meals as served under the current contract at the subject building.
- The building submitted by the offeror as a reference has at least \_\_\_% as many permanent on-board personnel as the subject building.
- The size of the overall facility is at least \_\_\_% the size of that in the subject building.  
The food facility' seating capacity is at least \_\_\_% that of the subject building's seating capacity

The offeror fulfills its financial obligations and contractual commitments on a timely basis.

The survey report indicates satisfaction with:

- quality of food
- menu variety, merchandising, and service level
- value provided to patrons

- maintenance of unit (and preventive maintenance)

The survey report indicates responsiveness:

- to complaints, suggestions and follow-ups
- from unit, district and corporate management
- from analyses, visitations, and audits

There is satisfaction with the level of sanitation at the facility (e.g., FDA, and other references)

It is critical that all offerors be surveyed in a similar manner, with as little deviation from standard questions as possible. For this reason it can often help if surveys are conducted by the same person.

b. **Experience**

Description: This factor considers the experience in food service and providing such service in comparable facilities in recent contracts; size in patronage, volume, and square feet; type of service; profit and loss contracts.

Standards for Evaluation: The standard is met when, (figures should reflect market conditions) the offeror demonstrates the following level of experience:

At least five years of experience in the food service industry with a sales volume sufficient to establish operational credibility for this contract.

At least three years of experience in facilities similar to the size, scope complexity and projected sales volume of the subject building involving point of service marketing and state of the art equipment.

The offeror has at least three years of experience in profit and loss operations under similar financial arrangements.

The offeror has demonstrated that the company can handle the additional sales volume generated by the proposed contract as far as its home office support and management team are concerned.

c. **Resources**

Description: This factor considers the offeror's organization, including management level staffing, training and proposed unit backup support.

Standard for Evaluation: The standard is met when, (figures should reflect market conditions):

The offeror presents the firm's organizational chart, which clearly reveals sufficient, prompt and active management and staffing support as well as backup support.

The proposal demonstrates that the offeror is organized to manage the contract, including:

- a district or other management office in close proximity; if not, the proposal explains how management resources will be utilized to support the contract
- home office support, services and controls
- other operations in geographical area
- emergency resources that can be utilized
- schedules for unit analyses, visitations, audits with adequate frequency.

Proposed district and regional managers are trained and have 5 years' experience in comparable type operations (patronage, volume, & square feet as specified above). The following conditions are met or the offeror explains how resources would be made available:

- available time to properly supervise this facility proper
- corporate organization to manage this contract
- organizational structure to provide prompt supervision and staffing
- division or appropriate organizational entity to handle this type of facility.

The offeror has demonstrated that the company can manage the additional sales volume generated by this contract.

The proposed unit manager:

- has been successful in previous operations.
- is trained and experienced for comparable operations
- was trained as a manager by the offeror
- is familiar with company procedures.

d. **Menu Cycle and Variety**

Description: This factor considers the provision of a complete menu cycle, variety and daily patterns.

Standard for Evaluation: The standard is met when:

The offeror provides a complete menu cycle indicating the cycle length and changes throughout the year.

The daily menu offerings:

- have high, medium, and low cost variety
- include seasonal menu items
- avoid repetition and monotony
- offer more popular items frequently

- compare favorably with accepted current practice in industry

The offeror's menu descriptions:

- contain and describe promotional and merchandising programs
- add variety, stimulate interest, and attract new customers

Sample menu offerings include variety of color, texture, flavor, shape, and appropriate garnish.

- The offeror's menu has taken into consideration:
- the facility size, type, and patronage
- available cooking and serving equipment
- energy conservation.

e. **Sanitation**

Description: This factor considers sanitation that demonstrates conformance with food service standards.

Standard for Evaluation: The standard is met when:

The offeror demonstrates its understanding of the requirements by submitting a complete internal sanitation program.

Proposed cleaning and sanitation services are explained and are reflected in the budget.

The sanitation program is comprehensive and includes all phases of the operating requirements with follow-up inspections and management reports.

The offeror details a complete sanitation training program; with refresher courses, and follow-up on-the-job training.

**f. Preventive Maintenance**

Description: This factor considers preventive maintenance practices that demonstrate the adequacy of the preventive maintenance program and practices as proposed in guidelines and schedules are considered.

Standard for Evaluation: The standard is met when:

The offeror includes a complete Preventive Maintenance program that demonstrates understanding of its responsibilities under the contract. The program is comprehensive and contains frequencies and type of maintenance proposed.



This factor should match the option selected in the RFP; option 1, standard level of maintenance as noted in the Cafeteria Preventive Maintenance Guide, Appendix C-10; option 2, as complex as the suggested manufacturer's guide, or option 3, no maintenance requirement.

**g. Controls**

Description: This factor considers the accounting systems provided by the contractor and effective management data which produces information on sales, meal counts, check averages, etc.

Standard for Evaluation: The standard is met when:

The accounting system provides the information required in the RFP.

The accounting system provides effective management data, sales, meal counts, check averages, and cost per meal.

The offeror demonstrates the frequency of internal audits conducted on operational controls, financial statistics, methods, procedures and system.

The offeror has adequate control checks, reports, and frequent reporting schedules for unit analysis and audits; and provides sample reports and schedules.

**h. Menu portion, prices, and standard unit of measurement**

Description: This factor considers the offeror's menu price and portion, and standard unit of measurement price, and how it reflects service level requirements.

Standard for Evaluation: When compared to the Sample Menu Price and Portion, and Standard Unit of Measurement Guide, Figure C-5b, the standard is met when:

The price and portion book is complete and lists menu portion, price, and standard unit of measurement price.

The overall pricing and portioning structure reflects service level needs and is advantageous to the government.

Each category of the Menu Portion and Pricing comparison is consistent with service level requirements.

The proposal contains a description of policies on procurement procedures, discounts, inventory controls and quality assurance.

This factor should match the option selected in the RFP.

### **I. Staffing and schedules**

Description: This factor considers the staffing levels and pattern as required by the facility's layout, menu, patronage, and sales. Also considered is the daily and weekly man-hour coverage for functions.

Standard for Evaluation: When compared with the Government model the standard is met when:

The color-coded staffing chart and the weekly staffing schedule are completed and include adequate backup data. Chart includes summary of hours (including breaks and lunch periods), staffing positions, and functional responsibilities.

The staffing chart provides man-hour coverage for the required function of:

- management and supervision
- preparation, set-up, service, and utility
- cleaning and sanitation
- sales.

The staffing pattern reflects the needs and requirements of:

- the facility layout, and menu variety
- the patronage level and sales volume.

The staffing chart indicates that:

- salaries are in accordance with operation
- wage scales conform to the wage determination in the RFP

### **II. Innovations**

Description: This factor considers the offeror's proposed program of capital development and or facility improvement (operations or innovative concepts) over the life of the contract, commencing within the first year.

Standard for Evaluation: The standard is met when the proposal includes:

The amount, location, and specific function of proposed programs, including conceptual drawings, and approximate time lines for design and construction, and/or the operational or foodservice concept that will improve the service equal to the commercial marketplace.

Operational or concept plans and/or cost estimates and funding plan demonstrate how alterations are proposed to be expensed, and when the proposals will be scheduled for completion.

An amortization schedule demonstrating how the alteration costs will be recovered while product prices remain competitive in the market. Consideration will be given to proposals demonstrating inventive funding and accelerated amortization.

A statement of compatibility of any proposed alterations with PM and tenant agency.

A detailed itemization in the pro-forma budget reflecting the expense and amortization of any proposed alterations

**k. (Budget      forma)**

Description: This factor considers the proposed total operating budget and backup data as it relates to the proposal, and its realistic projection of sales, cost, and profit.

Standard for Evaluation: When compared with the Government model the standard is met when:

Projected annual operating budget is complete and accurate. The pro forma is realistic and reflects contract requirements in the projection of:

- sales, (patronage, menu price, check average, and operating days)
- food costs (menu, menu price, and sales)
- labor, (staffing, management, supervision, preparation, utility, service, cleaning, sanitation, sales, and wage determination)
- operating expenses (including repair and PM, paper, and subcontracts)
- payment in lieu of rent
- administration and profit
- innovations, if any, proposed in 7.j., above.

Budget contains line by line explanation of how each line item was derived.

Projected budget contains entries related to the cost and conditions:  
of innovations discussed in other parts of proposal

- in each section of the proposal
- of seasonal and holiday fluctuations
- local competition

Pro forma compares favorably with Government model and percentages for costs are in line with industry standards.

**Figure C-5a**  
**ONSITE/TELEPHONE FOOD SERVICE SURVEY**

<b>PROPOSER</b>					
<b>DATE</b>					

<b>FACILITY /ADDRESS</b>					
<b>CLIENT/TELEPHONE #</b>					

<b>TYPE</b>					
<b>YEARS OF OPERATION</b>					
<b>BUILDING POPULATION</b>					
<b>ESTIMATED SALES</b>					
<b>ESTIMATED LUNCH PATRONAGE</b>					

	Ratings: Excellent	Very Good	Good	Fair	Unacceptable
<b>I. SATISFACTION W/QUALITY:</b>					
a. Food					
b. Menu Variety					
c. Merchandising					
d. Service					
e. Value					
f. P.M.					
<b>2. RESPONSIVENESS</b>					
a. Complaints					
b. Suggestions					
c. Corporate Management					
d. Analysis					
e. Visitation					
f. Audits					
<b>2. SANITATION</b>					

Figure C-5a

**Figure C-5b**  
**MENU PORTION, PRICE, AND STANDARD UNIT OF MEASUREMENT**  
**MATRIX**

Food Category and Menu Items	Offeror			Offeror			Offeror		
	Portion	Price	Std. Unit Price	Portion	Price	Std. Unit Price	Portion	Price	Std. Unit Price
<b>Entrees:</b>									
<b>Category Avg.</b>									
<b>Vegetables:</b>									
<b>Category Avg.</b>									
<b>Salads:</b>									
<b>Category Avg.</b>									

**Figure C-5b**

**Figure C-5b**  
**MENU PORTION, PRICE, AND STANDARD UNIT OF MEASUREMENT**  
**MATRIX**

Food Category and Menu Items	Offeror			Offeror			Offeror		
	Portion	Price	Std. Unit Price	Portion	Price	Std. Unit Price	Portion	Price	Std. Unit Price
<b>Breakfast</b>	—	—	—	—	—	—			
<b>Category Avg.</b>									
<b>Sandwiches:</b>									
<b>Category Avg.</b>									
<b>Soups:</b>									
<b>Category Avg.</b>									

Figure C-5b

### Appendix C-8a through C-8k Sample Scoring Sheets

**Evaluation Factors and their Standards** The following are examples of evaluation factors and the standards against which proposals will be evaluated

It is important for evaluators to remember that proposals are evaluated **independently** against the standards and not against each other.

The selected factors should match the options as selected in the RFP. Many of the following factors will not apply to a specific contract because of the selected option in the RFP.

## PAST PERFORMANCE SCORING SHEET

DATE: \_\_\_\_\_

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: As shown in the Government survey report the standard is met when:

The offeror has performed for:

- recent contracts
- comparable sized units (patronage & volume)
- comparable types of service
- profit and loss contracts

The offeror fulfills its financial obligations and contractual commitments.

The survey report indicates satisfaction:

- with quality of food
- with menu variety, merchandising, and service
- with value
- maintenance of unit (and preventive maintenance)

The survey report indicates responsiveness:

- to complaints, suggestions and follow-ups
- from unit, district and corporate managements
- from analyses, visitations, and audits

There is satisfaction with the level of sanitation at the facility (e.g., FDA and other references)

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

### MAJOR STRENGTHS

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### MAJOR WEAKNESSES:

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### MAJOR DEFICIENCIES:

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## Appendix C-8a



## EXPERIENCE SCORING SHEET

DATE: \_\_\_\_\_

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: The standard is met when:

The offeror has 5 years experience in the food service industry and has a present annual sales volume sufficient to establish operational credibility for this contract.

The offeror has at least 3 years experience in comparable:

- recent contracts
- size in patronage, volume and square feet
- type of service
- profit and loss contracts

The offeror has other operations within the geographical area; which demonstrate the ability to perform under this contract.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

### MAJOR STRENGTHS

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### MAJOR WEAKNESSES:

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### MAJOR DEFICIENCIES:

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## Appendix C-8b

## RESOURCES SCORING SHEET

DATE: \_\_\_\_\_

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: The standard is met when:

The offeror presents the firm's organizational chart that clearly reveals sufficient, prompt and active management and staffing support as well as backup support.

the district office is in close proximity.

home office support, services and controls

operations in geographical area

emergency resources that can be utilized.

The proposed district and regional managers are trained and have 5 years experience in similar type operations (patronage, volume, & square feet). The following conditions are met or the offeror explains how resources would be made available.

- available time to properly supervise this facility
- firm is properly organized to manage this contract  
structured to provide prompt supervision and staffing  
division to handle this type of facility

The proposed unit manager:

has been successful in previous operations

is trained and experienced for type and size operation

was trained as a manager by the offeror

- familiar with company procedure

The offeror has demonstrated that the company can manage the additional sales volume generated by this contract.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

### MAJOR STRENGTHS

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### MAJOR WEAKNESSES:

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### MAJOR DEFICIENCIES:

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## Appendix C-8c

**MENU CYCLE AND VARIETY SCORING SHEET**

DATE: \_\_\_\_\_

\_\_\_\_\_  
PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_

\_\_\_\_\_  
SCORE: \_\_\_\_\_

**STANDARD FOR EVALUATION:** The standard is met when:

The offeror provides a complete menu cycle indicating the cycle length and changes throughout the year.

The daily menu offering:

- avoid repeating and monotony
- offers more popular items frequently
- compare with "State of the Art" in Industry
- have high, medium, and low cost variety
- includes seasonal menu items.

The offerors, menu descriptions:

- promote and merchandise programs
- add variety, stimulate interest, and attract new customers
- are reflected in the budget.

Sample menu offerings include variety of color, texture, flavor, shape, and appropriate garnish

The offerors menu has taken into consideration:

- the facility size, type, and patronage
- available cooking and serving equipment

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

**MAJOR STRENGTHS**

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**MAJOR WEAKNESSES:**

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**MAJOR DEFICIENCIES:**

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## SANITATION SCORING SHEET

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: The standard is met when:

The offeror demonstrates its understanding of the requirements by submitting a complete internal sanitation program.

Proposed cleaning and sanitation services are explained and are reflected in the budget.

The sanitation program is comprehensive and includes all phases of the operating requirements and includes follow-up inspections and management reports.

The offeror details a complete sanitation training program; with refresher courses, and follow-up on-the-job training.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

### MAJOR STRENGTHS

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### MAJOR WEAKNESSES:

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### MAJOR DEFICIENCIES:

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## Appendix C-8e

## PREVENTIVE MAINTENANCE SCORING SHEET

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: The standard is met when:

The offeror includes a complete Preventive Maintenance Program which demonstrates understanding of the responsibilities. The program is comprehensive and contains frequencies and type of maintenance proposed.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

### MAJOR STRENGTHS

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### MAJOR WEAKNESSES:

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### MAJOR DEFICIENCIES:

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### Appendix C-8f

**CONTROLS SCORING SHEET**

DATE: \_\_\_\_\_

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: The standard is met when:

The accounting system provides the information required in the contract

The accounting system provides effective management data, sales, meal counts, check averages, and cost per meal

The offeror demonstrates that internal audits are conducted on operational controls, financial statistics, methods, procedures and systems.

The offeror has adequate control checks, reports, and frequent reporting schedules for unit analysis and audits; and provides sample reports and schedules.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

**MAJOR STRENGTHS**

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**MAJOR WEAKNESSES:**

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**MAJOR DEFICIENCIES:**

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**Appendix C-8g**

**MENU PORTION, PRICE AND STANDARD UNIT OF MEASUREMENT PRICE  
SCORING SHEET**

DATE: \_\_\_\_\_

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: The standard is met when:

The price and portion book is complete and lists menu portion, price, and standard unit of measurement price.

The proposed menu cycle relates to the facility layout and equipment

The overall pricing and portioning structure reflects service level needs and is the most advantageous.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

**MAJOR STRENGTHS**

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**MAJOR WEAKNESSES:**

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**MAJOR DEFICIENCIES:**

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**Appendix C-8h**



## **STAFFING PATTERNS AND SCHEDULES COFUNG SHEET**

PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_ SCORE: \_\_\_\_\_

STANDARD FOR EVALUATION: When compared with the Government model the standard is met when:

The color-coded staffing chart and the weekly staffing schedule are complete and include adequate backup data  
Chart includes summary of:

hours  
positions and functional responsibilities

The staffing chart provides man-hour coverage for the required function; management and supervisory, preparation, setup, utility and service, cleaning and sanitation and sales.

The staffing pattern reflects the needs and requirements for:  
the facility layout, and menu variety  
the patronage level and sales volume

The staffing chart indicates the  
salaries are in accordance with operation  
wage scale conforms to wage determination

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

### MAJOR STRENGTHS

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### MAJOR WEAKNESSES:

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### MAJOR DEFICIENCIES:

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## **Appendix C-8i**

**INNOVATIONS SCORING SHEET**

DATE: \_\_\_\_\_

\_\_\_\_\_  
PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_

\_\_\_\_\_  
SCORE: \_\_\_\_\_

**STANDARD FOR EVALUATION:** Considers the offeror's proposed program of capital development and/or facility improvement (operations or innovative concepts) over the life of the contract, commencing within the first year and compared with the Government interest. The standard is met when the proposal includes

The amount, location, and specific function of proposed programs, including conceptual drawings, and approximate time lines for design and construction, and/or the operational or foodservice concept that will improve the service equal to the commercial marketplace.

Operational or concept plans and/or cost estimates and funding plan demonstrate how alterations are proposed to be expensed, and when the proposals will be scheduled for completion.

An amortization schedule demonstrating how the alteration costs will be recovered while product prices remain competitive in the market. Consideration will be given to proposals demonstrating inventive funding and accelerated amortization.

A statement of compatibility of any proposed alterations with PM and tenant agency

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

**MAJOR STRENGTHS**

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**MAJOR WEAKNESSES:**

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**MAJOR DEFICIENCIES:**

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**BUDGET (PRO FORMA) SCORING SHEET**

DATE: \_\_\_\_\_

\_\_\_\_\_  
PROPOSER: \_\_\_\_\_ EVALUATOR: \_\_\_\_\_

\_\_\_\_\_  
SCORE: \_

**STANDARD FOR EVALUATION:** When compared with the Government model the standard is met when:

Projected annual operating budget is complete and accurate. The pro forma is realistic and reflects contract requirements in projection of:

- sales, (Patronage, menu price, check average and operating days)  
food costs (Menu price, check average and operating days)
- food costs (menu, menu price and sales)  
operating expenses (including repair and PM, paper and subcontracts)  
administration and profit.

Budget contains line by line explanation of how each line item was derived

The pro forma is realistic and reflects contract requirements in its projection of labor cost (staffing, management, supervision, preparation, utility, service, cleaning, sanitation, sales and wage determination) and payment to the government.

Excellent	10
Very Good	8-9
Good	5-7
Fair	3-4
Unacceptable	1-2

**MAJOR STRENGTHS**

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**MAJOR WEAKNESSES:**

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**MAJOR DEFICIENCIES:**

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**APPENDIX C-9  
SAMPLE LETTER,  
NOTICE TO PROSPECTIVE OFFEROR**

Date

Name of Prospective Offeror

Address of Firm

City, State, Zip Code

Dear Prospective Offeror:

The General Services Administration (GSA) is soliciting firms that may be interested in performing the food service contract at the Federal Building, Street Address, City and State.

Approximately \_\_\_\_\_ Federal employees occupy the building. The contract will be competitively negotiated. Award shall be made to the offeror who appears to be the most aualified to provide the reauired services to the Government. The award shall be based'on the criteria: **(insert as appropriate; Reputation, experience, resources, menu cycle and variety, sanitation and preventive maintenance, controls, and others as necessary.)**

The solicitation to be issued on or about **(insert date)** will require submission of a detailed proposal outlining and documenting your compliance with the above criteria. A bid bond will be required at the time of proposal submission. A pre-proposal conference will be held at a place and time to be announced when the solicitation is issued. It will be in the prospective offeror's interest to attend this conference.

Please let us know by letter on or before **(insert date)**, whether you are interested in receiving a copy of the solicitation so that you may submit a proposal. Please also advise us if the solicitation should be sent to an address other than your home office. Only one copy of the solicitation will be furnished.

THIS IS NOT A REQUEST FOR PROPOSAL.

Replies should be addressed to: **(insert name and address)**

Sincerely,

FULL NAME

Contracting Officer Service Office

**APPENDIX C-9**

## **APPENDIX C-10 CAFETERIA FOOD SERVICE EQUIPMENT PREVENTIVE MAINTENANCE GUIDE**

The preventative maintenance guides are suggested minimum Level guides to maintain the major equipment items in the cafeteria inventory. The guides are not intended as a substitute or replacement guide for equipment under the following conditions:

- a. Suggested manufacturers recommended guides for special and complex food service equipment to keep equipment operational.
- b. Suggested manufacturers recommended guides necessary to maintain the warranties on new equipment.
- c. Local environmental conditions that create the need for additional maintenance to keep equipment operational.
- d. Preventive maintenance for building systems that support and are required for the operation of food services; grease interceptors, exhaust hood systems (above the filters), duct systems, and hood and exhaust fire extinguishing systems are not covered in this guide.

<b>FOODSERVICE EQUIPMENT DESCRIPTION</b>		<b>GUIDE NUMBER</b>	<b>QUALIFIED PERSONNEL</b>
<b>1.</b>	<b>CONVEYOR</b>	<b>G-1</b>	<b>X</b>
<b>2.</b>	<b>DISH MACHINE</b>	<b>G-2</b>	<b>X</b>
<b>3.</b>	<b>FRYER</b>	<b>G-3</b>	<b>X</b>
<b>4.</b>	<b>GRILL</b>	<b>G-4</b>	<b>X</b>
<b>5.</b>	<b>EXHAUST HOOD</b>	<b>G-5</b>	<b>X</b>
<b>6.</b>	<b>ICE MAKER, DISPENSER</b>	<b>G-6</b>	<b>X</b>
<b>7.</b>	<b>KETTLE</b>	<b>G-7</b>	<b>X</b>
<b>8.</b>	<b>OVEN</b>	<b>G-8</b>	<b>X</b>
<b>9.</b>	<b>RANGE</b>	<b>G-9</b>	<b>X</b>
<b>10</b>	<b>REFRIGERATOR/FREEZER</b>	<b>G-10</b>	<b>X</b>
<b>11.</b>	<b>BOILER GENERATOR,</b>	<b>G-11</b>	<b>X</b>

## **CONVEYOR, DISH or TRAY, & BUSING CONVEYOR G-1**

### **MONTHLY:**

1. Check conveyor belt condition and tension, and detergent dispenser.
2. Lubricate motor drive and gear head assembly.
3. Check with operator, verify cleaning program.

### **SEMI-ANNUAL**

1. Examine belt rollers, sprockets, slats, guides, idlers, and limit switch.
2. Check and clean drain under conveyor and test wash apparatus.
3. Inspect control panel and all wiring connections.
4. If variable speed, check for proper feet per minutes (fpm) travel.
5. Refer to manufacturers instructions for maintenance.

Conveyors in excess of 30'-0", allow one minute of Maintenance time for each foot over.

## **DISHWASHING MACHINE G-2**

A qualified manufacturer's service representative should perform the preventive maintenance.

### **ELECTRIC, GAS, STEAM, ALL TYPES**

#### **MONTHLY:**

1. Check with operator, verify cleaning program.
2. De-lime as required.
3. Check utility supply line, valve packing, valves, traps, solenoids and insulation for each tank.
4. Inspect conveyor tension, lubricate chain and sprockets.
5. Remove wash manifolds, rinse manifolds, scrap screens and suction strainers, and inspect.
6. Clean thoroughly motor ventilating openings.
7. Clean all line strainers.
8. Drain booster heater to remove scale that may collect in tank bottom.

#### **SEMI-ANNUAL**

1. Check thermostatic control solenoid valve for a minimum of 100° pre-wash, 140° for wash, and 140° or 180° F for final rinse. (Low temp machines at 140° F)
2. Examine pumps-suction and discharge connections, adjust packing nuts.
3. Test electrical controls, signal lights, timer, and OFF/ON switches.
4. Calibrate thermostats (Call in qualified utility company service representative).
5. Tighten all screws in electrical wiring connections, i.e., panels, junction boxes, and final connections.
6. Clean elements to obtain maximum heat transfer.
7. Test timer, switches, pilot light, and replace door gaskets, if needed.

### **STEAM FIRED UNITS**

8. Check for adequate steam pressure to unit.
9. Remove line strainer and clean-check steam separator.
10. Inspect steam coils and clean, if required.



11. Examine condensation trap, thermostatic trap, and pressure regulator.

### **GAS FIRED UNIT**

12. Check gas/air mixture on gas (call in qualified utility company service representative).
13. Adjust Pilot light to lowest possible flame (call in qualified utility company service representative).
14. Check gas pressure regularly to ensure proper combustion.
15. Check flue for proper draft or obstructions.

### **FRYER, DEEP FAT, COUNTER-TOP, DROP-IN AND FREE STANDING G 3**

#### **ELECTRIC OR GAS**

##### **SEMI-ANNUAL:**

1. Check basket raising mechanism and basket condition.
2. Drop-in units must have flange to counter seal.
3. Inspect grease compartment.
4. Calibrate thermostats (call in qualified utility company service representative).
5. Check gas/air mixture on gas (call qualified utility company service representative).
6. Clean and adjust gas burners.
7. Check safety pilot and solenoid.
8. Clean and adjust pilot light.
9. Check flue for proper draft or obstructions.
10. Lubricate gas valves.
11. Tighten all screws in electrical wiring connections, i.e., plugs on appliances.
12. Clean interior walls and elements to obtain maximum heat transfer.

### **GRILL COUNTER-TOP, DROP-IN, OR FREE STANDING, G-4**

#### **ELECTRIC OR GAS**

##### **SEMI-ANNUAL:**

1. Inspect grease trough, drip tray, splashguard, and surface condition.
2. Calibrate thermostats (call in qualified utility company service representative).
3. Check gas/air mixture on gas (call in qualified utility company service representative).
4. Clean and adjust gas burners.
5. Check safety pilot and solenoid.
6. Clean and adjust pilot light.
7. Check flue for proper draft or obstructions.
8. Lubricate gas valves.
9. Tighten all screws in electrical wiring connections, i.e., plugs on appliances, panels, junction boxes, final connections, etc.
10. Check elements to obtain maximum heat transfer.
11. Examine utility supply line, valve packing, specialties and insulation.
12. Examine control knobs, indicating lights, grill surface.

### **EXHAUST HOOD, WASHDOWN SYSTEM (1) AND FILTER TYPE HOODS (2), G 5**

**MONTHLY:**

1. Detergent system fittings should be checked for leaks, or check filters for fit and condition. (1)
2. Grease collecting gutter should be checked - to remove any foreign material, or examine hood sides and drip trays or troughs. (1) (2)
3. Check water temperature - minimum 140 degrees Fahrenheit. (1)
4. Check with operator and verify cleaning program. (1) and (2) (See GSA Cafeteria Operations Contract)

**SEMI-ANNUAL**

1. Check air velocity. (1) and (2) See manufactures' recommendation
2. Remove filters, examine rack and hood condition. (2)
3. Check grease accumulation in hood to collar. (1) and (2)
4. Determine if filters should be replaced. (2)

**ICE MAKER, ALL TYPES, STORAGE AND DISPENSER, G - 12**

Preventive maintenance should be made by qualified manufacturer's service representative.

**MONTHLY:**

1. Check all controls, adjust if necessary.
2. Examine condition of bin doors-closure and ease of slide.
3. Inspect ice condition, water, and drain connections.
4. Check with operator, verify cleaning program.
5. Test ice dispensing valve, (door) metering adjustment, drain grid, and drain line.
6. Examine water connection and external controls, strainer, etc.
7. Check storage bin condition.

**SEMI-ANNUAL:**

1. Perform monthly and semi-annual refrigeration P.M. See guide G18.
2. Lubricate condenser fan motor, or if water-cooled check temperature.
3. Check lubrication of evaporator thrust bearings and chain drive.
4. Disassemble drum assembly, clean and/or replace seals, or examine gear motor auger section, dispenser drive assembly.
5. Replace gear box lubricant with proper oil.
6. Remove supply water screen from strainer and clean.
7. Lubricate water pump and components.
8. Check float valve in makeup tank.
9. Inspect water distribution holes in header.
10. Drain and flush and clean water contact surfaces of the ice machine.

**KETTLE, TILTING, BRAISING PAN, G - 7**

**STEAM, ELECTRIC, GAS**

**SEMI-ANNUAL:**

1. Calibrate thermostats (call qualified utility company service representative).
2. Check and replace leaking packing washers.

3. Examine water supply control and fill valve.
4. Inspect temperature gauge, lid hinge and condition.
5. Test timer, switches, and pilot light.
6. Check for adequate steam pressure to unit.
7. Examine condensation trap, thermostatic trap, and regulator.
8. Check and clean burner orifices on gas.
9. Clean and adjust pilot lights.
10. Check air shutters to make sure air/gas mixture are correct (call in qualified utility company service representative). (GAS)
11. Check flue for proper draft or obstructions. (GAS)
12. Lubricate valves, tilt mechanism.
13. Tighten all screws in electrical wiring connections, i.e., panels, junction boxes, final connections, etc.
14. Check elements to obtain maximum heat transfer.

### **OVEN, CONVECTION OR BAKING, G -8**

#### **SEMI-ANNUAL:**

1. Check for tight fit of oven doors; adjust door hinges, gasket and molding.
2. Check and clean fan blades for convection ovens.
3. Check to ensure ovens and oven racks are level.
4. Calibrate thermostats (call in qualified utility representative).
5. Check gas/air mixture on gas (call in qualified utility representative).
6. Clean and adjust gas burners.
7. Check safety pilot and solenoid.
8. Clean and adjust pilot light.
9. Check flue for proper draft or obstructions.
10. Lubricate gas valves.
11. Tighten all screws in electrical wiring connection, i. e., panels, junction boxes, final connections, etc.
12. Clean interior walls and elements to obtain maximum heat transfer.

### **RANGE, HOT PLATE, GRIDDLE TOP, OVEN BASE. G -9**

#### **ELECTRIC, OR GAS**

##### **SEMI-ANNUAL:**

1. Calibrate thermostats (call in qualified utility representative).
2. Check gas/air mixture on gas (call in qualified utility representative).
3. Tighten all screws in electrical wiring connections on panels, junction boxes, final connections, etc.
4. Clean and adjust gas burners.
5. Clean and adjust pilot lights.
6. Check automatic burner lighters and safety controls.
7. Lubricate gas valves.
8. Check for tight fit of oven doors; adjust door hinges, gasket and molding.
9. Check gas pressure regularly to ensure proper combustion.

10. Check flue for proper draft or obstructions.
11. Clean interior walls and elements to obtain maximum heat transfer.
12. Check and clean fan blades for convection ovens.
13. Check electric power line condition (switch, disconnect, etc.), or check condition of gas supply, valves, regulators, and inspect pilot adjustment.

### **REFRIGERATORS/FREEZERS (WALK-IN UNITS) G - 10**

Walk-in boxes and refrigeration system

#### **MONTHLY:**

1. Indicator light on-check compartment temperature.
2. Examine handles, door gaskets, hinges and tightness of door closure.
3. Check with operator, verify cleaning program.
4. Verify defrost cycle and timer on the freezer refrigeration system.

#### **SEMI-ANNUAL:**

1. Check refrigerant level if short cycling or loss of temperature control is observed.
2. Clean fan, condenser fins and plates and blower coils.
3. Check gaskets and seals, hinges on doors for tight fit, and leaks.
4. Have automatic defrosters adjusted. Reset defrost cycle so freezer will defrost during "Off Peak" Hours. Have trained technician do this.
5. Make sure thermostats are properly calibrated.
6. Lubricate hinges and latches. Use food grade oil.
7. Inspect and service all electric motors.

### **BOILER/GENERATOR, STEAM. G - 11**

#### **MONTHLY:**

1. Inspect utility supply lines, valve packing special fittings and insulation.
2. Check and test all controls, thermostats, and timers.
3. Verify boiler blow-down with the cafeteria operator. (Boiler blown-down is to be done daily by the operator)

#### **SEMI-ANNUALLY:**

1. Inspect low water cutoffs, pressure relief valves, pressure regulating valves, gauges and line strainers.
2. Inspect water feed, fill and drain valve.
3. Check for adequate steam pressure.
4. Check steam trap and replace, if necessary.
5. Drain tank and remove excess lime deposits.

#### **ELECTRIC**

1. Inspect and tighten all screws, electrical connections, plugs, panels, junction boxes, etc.
2. Check solenoid valves for proper operation.

## **GAS FIRED**

1. Check gas/air mixtures in gas valve (call qualified utility company service representative.)
2. Adjust pilot light to lowest possible flame (call in qualified utility company service representative).
3. Check gas pressure regularly to insure proper combustion.

## APPENDIX C-11 HOW TO USE THE MONTHLY PROFIT AND LOSS STATEMENT

This document will assist the PM in using the contractors profit and loss statement in the review of the contractors' performance. The Financial Statement provides the communications link between the contractor and the contracting officer. It is a vital tool for monitoring the contractor's performance. It presents information concerning sales, expenses, and profitability. Analysis of the statement will show if the contractor is operating on a viable basis within the framework of the contract requirements. A typical statement contains:

**1. Sales.** The basic component of food service operations is the sale of food and beverage. Expenses are viewed in their relationship to sales. Unsatisfactory sales volume requires a careful analysis of the operation.

a. Sales are computed by subtracting sales tax from gross receipts,

b. Some factors that may cause low sales volume are:

- Changes in building population.
- Prices not in line with competition.
- Poor quality food.
- Menus being monotonous.
- Slow or unsatisfactory service.
- Poor sanitation.
- Seasonal and holiday fluctuations.
- Poor cashiering and money handling systems.
- Unsatisfactory merchandising.
- Unresponsive management.

c. Changes in the sales volume should initiate management changes in operations.

**2. Food cost (cost of goods sold).** Represents the amount of money expended for food products sold, excluding paper goods.

a. Food cost is computed in the following manner:

Beginning	Inventory	Dollars
Add:	Purchases	Dollars
Deduct:	Returns and allowances, Discounts	Dollars
Deduct:	Ending Inventory	Dollars
Equals	Food Cost	Dollars

b. Contractors should thoroughly evaluate their own areas of operation before requesting price increases. Some factors that may cause high food costs are:

- Low selling prices.
- Poor purchasing, receiving, storage, and issuing techniques.
- Poor menu planning (product mix).
- Cost of employees' meals.
- Pilfering (Cashiering, etc.).
- Misuse or lack of standardized recipes.
- Over-production (waste-throw-away's).
- Portion sizes (scales, scoops, serving).
- Serving techniques - (utensils, dish size).
- Improper employee supervision.
- Inadequate management supervision and controls.

c. A contractor's alternative to the maintenance of effective and efficient management controls could be a request for increased selling prices; therefore, increasing selling prices is not always the best alternative to effective management.

**3. Labor cost (payroll costs).** Represents the amount of money expended for the total cost of labor for the operation of the contract (including incentives) and excluding company administrative labor costs.

Labor cost is computed by adding salaries and wages, payroll taxes, employee benefits, other payroll and adjustment costs. Some factors that may cause high labor costs are:

- Low sales volume.
- Poor staffing schedules.
- Excessive or unauthorized overtime.
- High employee turnover.
- Poor design layout and equipment.
- Inadequate training and supervision.
- Unreasonable service schedule.

**4. Miscellaneous expenses.** Represents the remaining amount of money expended for the operation, excluding payments to the Government, administrative cost and profit.

a. Expenses are computed by adding the following:

- Paper goods.
- Janitorial supplies.
- Replacement costs.
- Depreciation.
- Rental (when approved).
- Service subcontracting (trash, exterminating, cleaning, and preventive maintenance).
- Telephone.
- Laundry.
- Uniforms.

Office supplies.  
Taxes.  
Insurance.  
Advertising.  
Decor.

b. Percentage variances of each line item should be compared with the percentages of the prior monthly and year to date. Unusually high or low variance should be questioned.

**5. Payment to the Government.** Payment to the Government represents one and one half percent (1 & 1/2%) of net sales per GSA Form 2817.

**6. Administrative expense and net profit.** GSA's food service contract prescribes a 10% limitation for administrative expense and profit. **This figure is the sum of the percentages of administrative expenses and profit.**